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T.T. Zimbabwe—1s. 2d. 1/4d.
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T.T. Lesotho—1s. 2d. 1/4d.
T.T. Malawi—1s. 2d. 1/4d.
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The Hongkong Telegraph

FOUNDED 1861 四拜禮 號八廿月九英港 THURSDAY, SEPTEMBER 28, 1939. 日六十月八 SINGLE COPY 10 CENTS \$100 PER ANNUM

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Income Tax 7s. 6d. in £; 60 Per Cent. Excess Profit Tax; Capital Levy May Be Introduced: War To Be Financed By Direct Taxation of People

COLOSSAL TAXATION ANNOUNCED IN BRITAIN'S FIRST WAR BUDGET

REPRESENTING THE MOST STAGGERING BURDEN OF TAXATION EVER UNDERTAKEN BY A FREE NATION IN HISTORY, SIR JOHN SIMON'S WAR EMERGENCY BUDGET, INTRODUCED IN THE HOUSE OF COMMONS LAST NIGHT, PROPOSES STUPENDOUS INCREASES.

INCOME TAX IS TO BE INCREASED FROM 5S. 6D. TO 7S. 6D. IN THE £ STERLING.

AN ADDITIONAL SURTAX, RANGING FROM 1S. 3D. ON INCOMES OF £2,000 TO 9S. 6D. ON INCOMES OF £30,000 AND OVER, WILL BE IMPOSED;

Duty on estates of between £10,000 and £50,000 will be increased by ten per cent., and on estates of over £50,000 by 25 per cent.

BEERS AND SPIRITS

Excise duty on Beer will be increased by one penny. Duty on spirits will total 13s. 9d. a bottle.

Duty on sugar will be increased by one penny per lb. An increase of 2s. per lb. will be imposed on tobacco.

In addition, trade and industry will have to bear an all-round excess profit tax of 60 per cent.

LEVY ON CAPITAL?

During his outline, Sir John Simon warned that the Government might be forced to apply a levy on capital.

Even with the next taxation, revenue will fall far short of war time expenditure, and several forms of loans are to be made available to the public.

Estimated expenditure up to March this year will be £2,000,000,000, which is only £696,221,000 short of the record Great War expenditure in 1917-18, despite the fact that the Empire will only have been at war for seven months.

RICH AND POOR TO PAY

LONDON, Sept. 27 (Reuter).—Sir John Simon's drastic Budget, affecting rich and poor alike, has caused an enormous impression throughout Britain, regarded as the best possible proof of the country's determination to carry out a supreme war effort.

Income-tax of 7s. 6d. in the £ is the highest since the tax was first introduced in 1798. It compares with 1s. 3d. at the start of the last war and the previous highest figure of six shillings.

The budget as a whole, writes "Reuter's" city editor, represents undoubtedly the heaviest burden ever undertaken by a free nation in history.

The budget proposes to raise about 51 per cent. of the expenditure by taxation, which is almost double the Great War's proportion, which for instance from 1915 to 1916 was 22 per cent.

The crux of the budget was Sir John Simon's statement that financing other than by taxation or loans from genuine savings must be inflation which Britain intends to avoid by unprecedented financial efforts.

Though the Chancellor has obviously

HIGHEST IN HISTORY

The new income tax is the highest in the nation's history.

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OPPOSITION SUPPORT

The Opposition, whilst reserving the right to criticise certain points, will support the Budget.

"Severe as the Budget is, it does not bring us even within the remote range of the limits of our financial strength, or the sacrifices which the people will accept as they become necessary as a means to victory," declared Sir Archibald Sinclair, leader of the Liberal Party.

War Emergency Budget: Simon's Speech in Full

LONDON, Sept. 27 (Reuter).—Substantial all-round increases in direct and indirect taxation, including raising of the income-tax level to 7s. 6d. in the £, and large increases in so-called luxury articles, were announced by Sir John Simon, Chancellor of the Exchequer when he introduced the war emergency budget in the House of Commons this afternoon.

At the outset, Sir John Simon said that when he introduced the budget at the end of April, he estimated the expenditure for the year would amount to £1,322,000,000.

The defence expenditure included in that vast total was at that time stated as £630,000,000.

The budget proposals were calculated to raise from revenue £942,000,000, and consequently at that time £380,000,000 was left to be borrowed within the financial year.

Before the Finance Act was passed, the figures for this year's expenditure on defence had grown to a total of £730,000,000, and the amount to be borrowed at that time came to something like £400,000,000.

Total expenditure when Parliament rose in August was £1,453,000,000, of which £302,000,000 was to be borrowed.

Peace Time Effort

These totals, vast as they were, were arrived at on the basis that we remained at peace throughout the year.

On September 3, we were at war, and a vote for credit for an additional £100,000,000 was passed.

£938,000,000 MUST STILL COME FROM BORROWING

LONDON, Sept. 27 (Reuter).—The main figures of the budget make the revised estimated expenditure for the current year up to £1,933,000,000.

The revised estimate of revenue, including £107,000,000 from new taxation amounts to £995,000,000, and this leaves £938,000,000 to be met by borrowing, of which £500,000,000 is already authorised to be met from defence loans money.

Effective resolutions giving legislative force to the proposals were agreed unanimously within 100 minutes of the budget speech, and the general debate then opened.

Exaggerated Reports from Berlin

NAZI CLAIMS IN N. SEA ACTION

SPECIAL TO THE "TELEGRAPH"

NEW YORK, Sept. 28 (UP).—The story of the North Sea engagement between British warships and German aircraft, at first denied in London, is slowly being patched together.

SOVIET FREIGHTER TORPEDOED

Serious Affair In Baltic Sea

SPECIAL TO THE "TELEGRAPH"

MOSCOW, Sept. 27 (UP).—The Moscow radio station announces that the Soviet freighter Metallish has been sunk near Narva Bay, off the Estonian coast, by an unidentified submarine.

The report said 19 of the freighter's crew were saved, and that five are missing.

"Serious Development"

This event coincided with the arrival of the Estonian Mission to Moscow to explain the activity of alleged Polish submarines in Soviet and Estonian waters.

Diplomatic circles characterise the incident as a serious development.

Rescue By Patrol Ships

MOSCOW, Sept. 27 (Reuter).—The Soviet steamer Metallish was sunk by a submarine this evening. Nineteen of the crew of 24 were rescued by Soviet patrol ships.

The Metallish was attacked in Narva Bay off Estonia according to "Havas."

Danish Ship Searched

Copenhagen, Sept. 27 (Reuter).—A Danish coastal steamer bound for Copenhagen was stopped and searched by a German torpedo-boat just outside Danish waters to-day.

After a search lasting one and a half hours the vessel was released.

Submarine Off U.S. Coast

NEW YORK, Sept. 27 (UP).—The Radio Marine Corporation reports having intercepted a message from the American tank steamer Japan Arrow saying that she had sighted an unidentified submarine at 2 p.m., E.S.T., off Ocean City, Maryland.

Upon sighting the tanker, the submarine submerged and headed off to sea.

Delegation For England

The Hague, Sept. 27 (Reuter).—A Netherlands delegation has been appointed to go to England and discuss questions of neutral shipping and trade.

The delegation is headed by the Director of the Commercial Treaties Department.

GALLANT POLISH FIGHT AT END

Warsaw Completely Wrecked, Capitulates To Nazi Forces

SPECIAL TO THE "TELEGRAPH"

LONDON, SEPT. 28 (UP).—WARSAW, ONCE PROUD CAPITAL OF A NATION OF 34,000,000 PEOPLE, HAS UNCONDITIONALLY CAPITULATED AFTER ONE OF THE GREATEST AND MOST HEROIC RESISTANCES TO SIEGE THE WORLD HAS EVER KNOWN.

A radio broadcast from the city states that it is completely wrecked. Hardly a building remains standing in an area which once held 1,300,000 people.

GIANT INFERNOS

Giant fires are raging everywhere, and, because the water supplies have been destroyed by Nazi bombs and shells, there is no method of controlling the infernos.

The radio announcer described the city as "an inferno upon earth."

Warsaw officially capitulated at 11.30 a.m. (6.30 p.m. H.K.T.) after being besieged for 21 days.

RAIN OF DEATH

During that time, it is computed that 20,000 bombs and 100,000 shells were rained upon the city.

The formal surrender of the city to the German High Command will be made on Friday.

The surrender includes 100,000 troops, all of whom will lay down their arms.

24-Hour Armistice

A 24-hour armistice has been agreed upon in order to permit the city to attempt to quell the great fires that are raging.

In addition, Warsaw has thousands of dead civilians and soldiers still not buried, owing chiefly to the lack of burial grounds and insufficiency of labour for digging the large trenches that are being turned into common graves. All the city's parks have been converted into graveyards.

People Starving

The surrender of the Polish capital was announced over Zeesens Radio at 8.10 p.m. (5.10 a.m. H.K.T.). The Berlin Radio's orchestra immediately afterwards struck up "Deutschland Ueber Alles" and the "Horst Wessel."

Half a million starving civilians, every family of whom has suffered bereavement, remain in Warsaw. The food situation is believed to be desperate.

Armistice At Noon

WARSAW, Sept. 27 (Reuter).—A report states that an armistice has been agreed upon since noon to-day. PLEASE Turn To Page 2.

WESTERN FRONT Saarbruecken Evacuated

PARIS, Sept. 27 (Reuter).—The Germans have completely evacuated Saarbruecken.

The French are seriously threatening the city, which is under continuous artillery fire.

Saarbruecken has been evacuated because French artillery and machine gun fire became so heavy that the Germans were unable to hold the town. They are now trying to loosen the grip with which the French are partly encircling it.

Between Zweibruecken and Hornbach, the Germans are showing uneasiness owing to the French hold on the Ohrenthal salient which protrudes into German territory, its ridges dominating the Hornbach stream.

German guns have been pounding the salient for several days.

Nazi Lines Wiped Out

PARIS, Sept. 27 (Reuter).—Many important German positions in the Siegfried Line have been wiped out by French artillery fire. It is stated by French artillery fire. It is stated by French artillery fire.

EMPIRE MENACED, SAYS AUSTRALIAN PREMIER

CANBERRA, Sept. 27 (Reuter).—Mr. R. G. Menzies, the Australian Prime Minister, said in a radio broadcast to-day that it would be unwise to send a large expeditionary force overseas at present.

The Air Expeditionary Force promised Britain would be more useful.

He stated the conditions were different from those in 1914, when belligerents were known and there was no danger of invasion of Australia.

"I believe that there is a serious menace to the British Empire," he said.

"The war will be won, but not quickly and we must preserve our resources," he stated.

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Reliable tested and of strong germination of best varieties for immediate sowing. For sale at Grace Co. 10 Wyndham Street, Hongkong.

WESTERN FRONT

(Continued from Page 1.)

In Paris there are between 30 to 40 pill-boxes to the square mile in the line.
The intense German fire is believed to be intended as protection for troops who are hurriedly rebuilding shattered pill-boxes and erecting new pill-boxes.
German troops from the Polish front are still massing behind the Siegfried Line.

French Communiqué
SPECIAL TO THE "TELEGRAPH"
PARIS, Sept. 27 (UP).—Communiqué No. 46, issued at 4.40 p.m., says: "The day was marked with activity of our reconnaissance detachments."
German long-range guns, firing from a distance of 20 miles, and now sweeping the villages and roads between the front and the Meuse line fortresses on a 50 mile front from Saarbrücken to Wissembourg, seeking to interrupt communications and prevent further movement of troops to the front.

British and French batteries and the Maginot line guns are methodically shelling the German pill boxes. Both armies are digging in under intense artillery fire, neither attempting to advance their positions, or secure better cover.

Quelido Lengthened
PARIS, Sept. 27 (Reuter).—German artillery has been lengthened and is now being directed towards the French rear.

Villages far behind the lines, which had been evacuated, are now being shelled.

The official French commentator says concentrations of German troops at Aachen (Aix-la-Chapelle) are now considered to be not as important as at first thought.

He said four German planes were brought down on Monday and two French planes were lost in Germany.

Million Men Mass
ON THE WESTERN FRONT, Sept. 27, (UP).—A correspondent with the German Army on the Western Front says that Germany has massed more than a million men, including crack units shifted from Poland, for what is probably to be a purely defensive war.

"I toured 200 miles of fortifications on the West Wall—half facing the Belgian and Luxembourg borders—which gives ample evidence that Hitler has the intention at present of opening an offensive against the Allies."

Nazi Strength
NEW YORK, Sept. 27 (Reuter).—An American newspaper carries:

NEW ADVERTISEMENTS.

ALIEN ENEMIES (WINDING UP) ORDINANCE 1914

Mr. B. Schreiber.
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Mr. H. Flebig.
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Mr. M. Stoger.
Mr. O. Steger.
Mr. H. Schmidt.
Mr. H. Heilmeyer.
Mr. K. F. Muller.

In all cases where the following information has not been given to the Liquidator concerning the above mentioned persons it is requested that such information be forwarded with as little delay as possible to the undersigned:—

- (1) Names and addresses of Secured Creditors, together with details of claims and nature of security.
- (2) Names and addresses of Unsecured Creditors, together with details of claims.
- (3) For verification purposes the names and addresses of Debtors, together with details of amounts due.
- (4) Names and addresses of Banks carrying on business with the above persons together with details of any funds remaining in their possession or other information which may be of use.
- (5) Names and addresses of any storage contractors, or other persons retaining goods in their possession belonging to the above, together with details thereof.

H. A. WADESON,
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pendent, describing how he was shown over the Siegfried Line, says there is no doubt that the German fortifications are very strong. The surface defences consist of barbed wire, tank traps and pill-boxes. The underground defences are built into the hillsides and very heavily protected.

Hidden by shrubs and trees, not a sign of them can be seen from the air.

The correspondent says the underground corridors are protected by machine guns at each end. When he asked about this, he was told that they were for use if the enemy broke the line.

G. R.

PARTICULARS & CONDITIONS
of the Sale by Public Auction to be held on Monday, the 2nd day of October, 1939, at 3 p.m., at the Office of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Wong Nei Chung, in the Colony of Hong Kong, for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 75 years.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

No. of Sale	Registry No.	Locality	Boundary Measurements	Contents in sq. feet	Annual Rent	Upset Price
1	Lot No. 4178	Wong Nei Chung, Hong Kong	As per plan.	About 2,400	\$25	\$1,800

G. R.

PARTICULARS & CONDITIONS
of the Sale by Public Auction to be held on Monday, the 2nd day of October, 1939, at 3 p.m., at the Office of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Ma Tau Chung, in the Colony of Hong Kong, for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 75 years.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

No. of Sale	Registry No.	Locality	Boundary Measurements	Contents in sq. feet	Annual Rent	Upset Price
2	Lot No. 4178	Wong Nei Chung, Hong Kong	As per plan.	About 2,400	\$25	\$1,800

Neutrality Measure

Quick Approval By U.S. Senate Likely

WASHINGTON, Sept. 27 (Reuter).—The debate on the Administration's new neutrality bill for the repeal of the arms embargo may begin in the Senate on October 2.

Senator Borah, leader of the opposition to the measure, announces that its opponents could gain little time by an extended discussion in the foreign relations committee.

The committee, therefore, is expected to approve the measure promptly, and supporters are optimistic about quick Senate action.

Sonata Majority
SPECIAL TO THE "TELEGRAPH"
WASHINGTON, Sept. 27 (UP).—Mr. Stephen Early, the President's Secretary, said that the Administration would refrain from any comment regarding neutrality measures.

It is apparent that the move is to forestall any charges of Executive pressure on Congress.

He also revealed that the Administration will keep all extraneous issues and business, including nominations, from Congress until the neutrality issue is settled.

Meanwhile, Administration circles claimed that 55 votes in the Senate, seven above the majority, would favour a repeal of the embargo. A "United Press" compilation, placed the vote at 47 Democrats, five Repub-

G. R.

PARTICULARS & CONDITIONS
of the Sale by Public Auction to be held on Monday, the 2nd day of October, 1939, at 3 p.m., at the Office of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Mong Kok, in the Colony of Hong Kong, for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 75 years.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

No. of Sale	Registry No.	Locality	Boundary Measurements	Contents in sq. feet	Annual Rent	Upset Price
3	Lot No. 4178	Wong Nei Chung, Hong Kong	As per plan.	About 2,400	\$25	\$1,800

GALLANT POLISH FIGHT AT END

(Continued from Page 1.)

and the conditions for the capitulation of the town are being discussed.

Washington Confirms
WASHINGTON, Sept. 27 (Reuter).—The Nazi Embassy at Warsaw officially informed that Warsaw had surrendered at 11.30 a.m. to-day.

Unconditional
BERLIN, Sept. 27 (Reuter).—A statement by the German high command states that Warsaw has capitulated unconditionally.

The statement says that the town will probably be handed over on Friday.

A Paris report says that the proposed by the Polish commander for a 24-hours armistice is announced in an official communiqué received in Paris from the military commander in Warsaw.

The communiqué states that the proposal was made owing to the desperate situation of the civilians, and the tremendous damage caused, combined with the lack of water and the fear of epidemics.

Completely Destroyed
The capital is completely destroyed and is still subject to unceasing artillery fire.

Water cisterns and lifts have been destroyed and it is very difficult to give aid to the civilians, owing to the constant bombardments.

All monuments and every single church lie in ruins.

The state of the civilians and the town forced the Commander to consider future decisions which will help to avoid new losses to the Polish population. No reply had yet been received to the proposal.

An earlier communiqué mentions that 13 German planes were brought down to-day, increasing the number of planes shot down in the region of Warsaw to 100.

Earlier Message
LONDON, Sept. 27 (Reuter).—A message received in London this afternoon from the radio station at Warsaw said the Polish capital had now been destroyed and was an inferno upon earth.

There was no talk of surrender but it was announced that the water supply had been destroyed and epidemic was feared.

The food situation was tragic and the last hospital had been wrecked. Three thousand civilians had been killed in the last 24 hours.

German planes were still dropping incendiary bombs and the number of fires were increasing.

The Polish broadcast concluded "We will never give in while of one is alive."

COUNTERFEIT MONEY
Chinese Says Coins Won At Mah-jong Table

The plea that he had got the money gambling in a mah-jong school was made by Chung Shum, 22, carpenter before Mr. Forrest at the Central Magistrate's yesterday, when charged with the possession of 45 counterfeit five-cent pieces at Triangle Street, Wanchai, on Monday.

Sgt. Cashman said Chung was unable to point out any particular person from whom he had received the coins.

Fining the defendant \$50, his Worship said his excuse was rather thin.

Heans and one from the Independent camp of the President.

Meanwhile, friends and foes of any revision are looking radio time to carry the fight to the people. The Legislators have been deluged by thousands of letters, telegrams and postcards.

WAR EMERGENCY BUDGET: SIMON'S SPEECH IN FULL

(Continued from Page 1.)

national £500,000,000 was promptly adopted.
The Chancellor said he could not guarantee this first vote for credit would be sufficient to cover all requirements up to March 31 next.

The need for a further budget as promptly as possible was self-evident as we should be facing in this financial year a total outlay of nearly £2,000,000,000.

Special Economic Problem
"The great war in which this country was engaged set for us a special economic problem, and it is not properly faced and not boldly handled, then our power to carry on the war to a victorious conclusion is gravely weakened."

Finance was sometimes said to be the fourth arm of defence. If finance failed, then the prop that sustained the whole war effort collapsed.

There were two obvious ways to make the best use of productive resources—taxation and borrowing, and doubtless we should have recourse to both.

Unprecedented Scale
The Exchequer would need money on an unprecedented scale, and for that vast need over the period of the war, taxation would have to make the whole of expenditure in a war like this can be provided from the proceeds of taxation. It will be necessary to supplement the provision by revenue from national defence loans on a large scale.

"It will be the duty of the private citizen to contribute to the greatest possible extent to loans when they are announced."

"When that time comes, it will be found that various types of loans will be offered."

Sir John Simon earnestly appealed to all citizens and institutions in the country to refrain from unnecessary capital expenditure and to put what ever savings they could make to a view to devoting them to the new loans issued for the prosecution of the war.

Big Sacrifices
The House would see that the emergency budget would call for several sacrifices. High as the existing 5s. 6d. income-tax rate was, it was, in the circumstances of war, being substantially increased.

Sir John Simon explained that the increase he contemplated in the rate of income-tax could not take full effect in the present year, and reductions which he felt it his duty to propose in the existing allowances could not be made operative in time for the collection due on January 1.

The plan he put forward was that in the full year the standard rate of income-tax should be 7s. 6d. in the £.

During the present year he proposed that the rate should be seven shillings. This rate should be regarded as a composite rate, made up of five shillings and sixpence for the first quarter and 7s. 6d. for the other three quarters.

Income tax due by direct payment on January 1 next would be made at the seven shilling rate.

Heavy Surtax
After indicating that allowances in respect of income-tax would be reduced, Sir John Simon turned to surtax, and intimated that he proposed that new surtax scales should run from 1s. 3d. on incomes of £2,000 to 9s. 6d. for incomes over £30,000. By this means surtax would produce another £5,000,000 this year and £8,000,000 in the full year.

Announcing a further modification in estate duty, Sir John Simon said: "I now propose that in relation to deaths taking place after to-day—A. voice. There will be a lot of loud hatching—duty on estates exceeding £10,000, but not exceeding £50,000 shall be increased by the ten per cent."

The Chancellor indicated that for estates over £50,000 the increase would be 25 per cent, the yield from these increases being estimated at £6,000,000 in the full year.

Additionally, Sir John Simon proposed increases in all taxes on alcoholic liquor to take effect as from to-morrow.

There will be an additional penny on a pint of beer, and this, it is estimated, will produce £11,000,000 this year and £27,000,000 in the full year.

Spirits with the added duty would cost 13/9d. a bottle, and this is estimated to produce £3,500,000 in the full year.

Also there would be further additions on light wines.

Luxuries Up
Other increases include one penny on refined sugar, two shillings a pound increase on tobacco, and 60 per cent. excess profits tax modelled on the armaments profits duty, and applied over the whole field of trade and industry.

Referring to the increase in the capital wealth of individuals during the war, Sir John Simon announced that a capital levy was being studied, but it was not practicable to apply one during the war.

The new proposals, said the Chancellor, would produce £107,000,000 this year and over £220,000,000 in the full year.

Sir John said it must not be assumed that these enormous figures were proof that there had been prodigious squandering and waste.

The truth was that the increasing complication and elaboration of machines of war and the mechanisation of military force, also greatly increased the cost.

The Chancellor gave as an instance the cost of modern aircraft, which he said was three to seven times that of a comparable type in 1918.

Sir John Simon added that by agreement with the defence Ministers, qualified and experienced business men had been recruited in order to see that the proposals for the new

RICH AND POOR TO PAY

(Continued from Page 1.)

striven to mitigate the severity of the budget during the initial stages, his main objectives have been to provide machinery to bring the last penny out of the country's staying-power during a war of three years or more, if necessary.

The budget pays not the slightest heed to considerations of political popularity as indicated by the taxes on beer, sugar and the great increase on low incomes.

expenditure were framed with strict regard to the necessity of finance.

THE OPPOSITION

Government Blamed
Mr. Clement Attlee, leader of the Opposition, referring to Sir John Simon's emergency budget speech in the House of Commons, recalled the emergency budget of eight years ago, and expressed the opinion that the National Government had brought the country to the present position.

Mr. Attlee agreed that Sir John Simon was right in endeavouring to raise these large sums by taxation, and he thought the income-tax increase was right.

On no account should we defer paying for the war to a future occasion, or make future generations pay by borrowing.

He criticised the change in the children's allowances on the ground that this was not the time to discourage having children, and he urged reconsideration of the additional sugar tax.

He welcomed the tax on war profits, but thought that the best thing was to have no war profits.

Liberal Support
Sir Archibald Sinclair, leader of the Liberal Opposition, foresaw financial burdens of almost incalculable weight, but we were going to face them, and Sir John Simon had rendered a good service by letting the country face the facts, instead of indulging in muddled and wishful thinking which had been prevalent since rearmament began.

While reserving the right to make criticism on certain points later, Sir Archibald felt that the budget, which was conceived on bold lines, deserved their support.

He asked Sir John Simon to consider the appointment of a select committee on national expenditure to check the growth of wasteful expenditure.

Severe as the budget was, it does not bring us even within the remote range of the limits of our financial strength, or the sacrifices which the people will accept as they become necessary as a means to victory, concluded Sir Archibald.

U-Boat Aided In Rescue

Drama Of The Royal Sceptre

RIO DE JANEIRO, Sept. 27 (Reuter).—It became known in Rio de Janeiro to-day that the captain and two seamen of the British steamer Royal Sceptre, which was torpedoed by a Nazi submarine on September 22, were drowned.

Thirty-two survivors, who were picked up by the British steamer Browning, have been landed in Brazil.

Nine of them are in hospital and are making good progress.

It was revealed to-day that the Browning was stopped in the Bay of Biscay by Nazi submarines U-38, which sank the Royal Sceptre, and the crew instructions to rescue the crew of the Royal Sceptre, who had been set adrift.

The Royal Sceptre had about 10,000 tons of wheat from the Argentine to England.

POST OFFICE

INWARD MAILS
Air Mail by "Pan American Airways" direct, 21st September, Sept. 28.

Shanghai, Sept. 28.
Shanghai, Sept. 28.
Shanghai, Sept. 28.

Hankok, Saigon and Tourane, Sept. 28.
Strait, Sept. 28.
Shanghai, Sept. 28.
Shanghai, Sept. 28.
Shanghai, Sept. 28.
Canton, Sept. 28.
Japan, Sept. 28.
U. S. A., Honolulu and Japan, (San Francisco date, 2nd Sept.) Sept. 29.

OUTWARD MAILS
Thursday
Haiphong, Sept. 28, 2 p.m.
Saidan, Sept. 28, 3.30 p.m.
Formosa, Sept. 28, 3.30 p.m.
Shanghai, Japan, Honolulu, Canada, U.S.A., Central and South America, Europe via Vancouver B.C., 18th October.

Europe via Vancouver B.C. only—due Vancouver B.C. 18th October.
G.P.O. and K.F.O.
Parcels, Sept. 28, 5 p.m.
Reg., Sept. 28, 1.15 a.m.
Ord., Sept. 29, 10 a.m.

Air Mail for Manila, Guam, Honolulu and U.S.A., by the "Pan American Airways Direct Service"—due San Francisco, 5th October.
K.F.O.
Reg., Sept. 28th, 5.00 p.m.
Ord., Sept. 28th, 5.30 p.m.
G.P.O.
Reg., Sept. 28th, 5.00 p.m.
Ord., Sept. 29th, 7.30 a.m.

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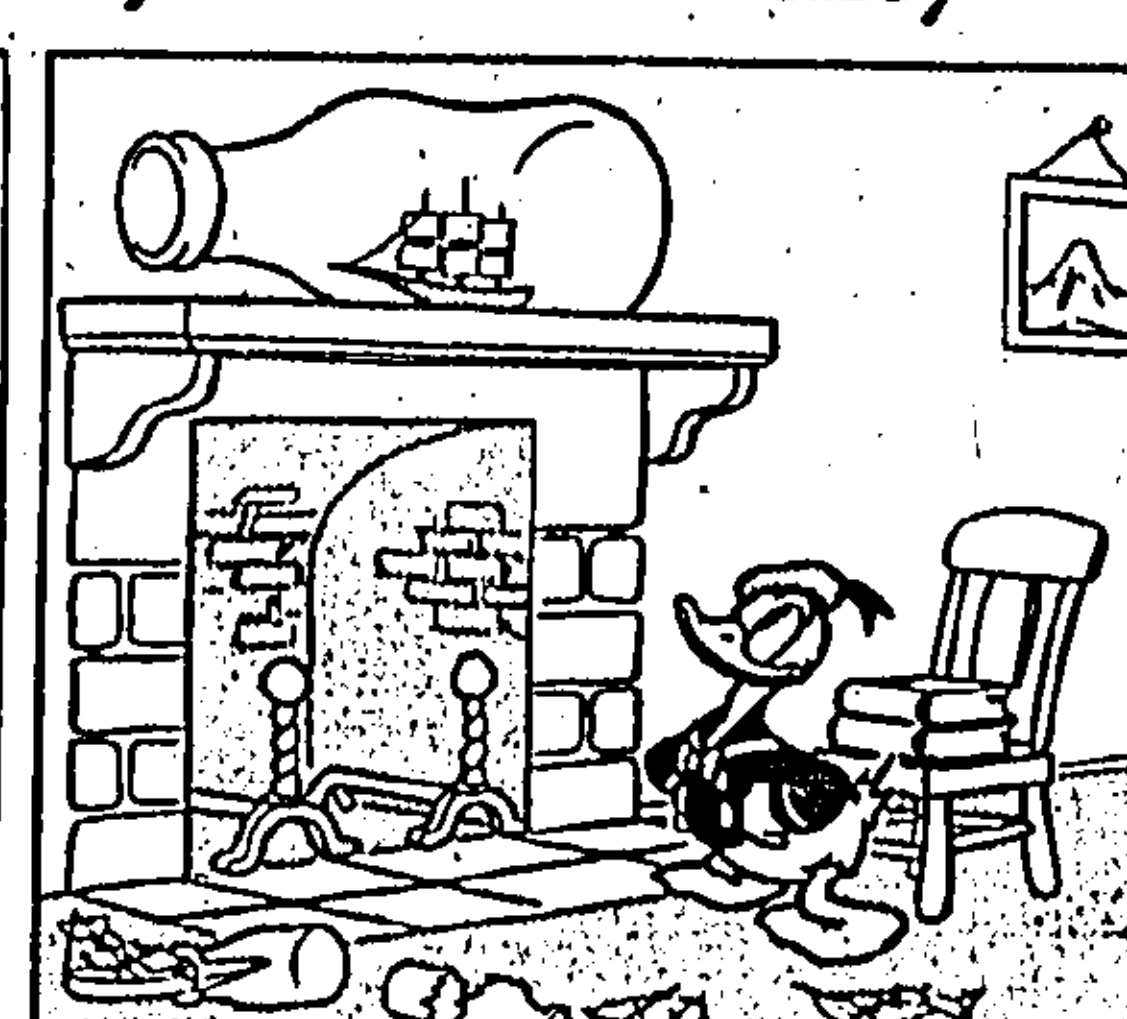
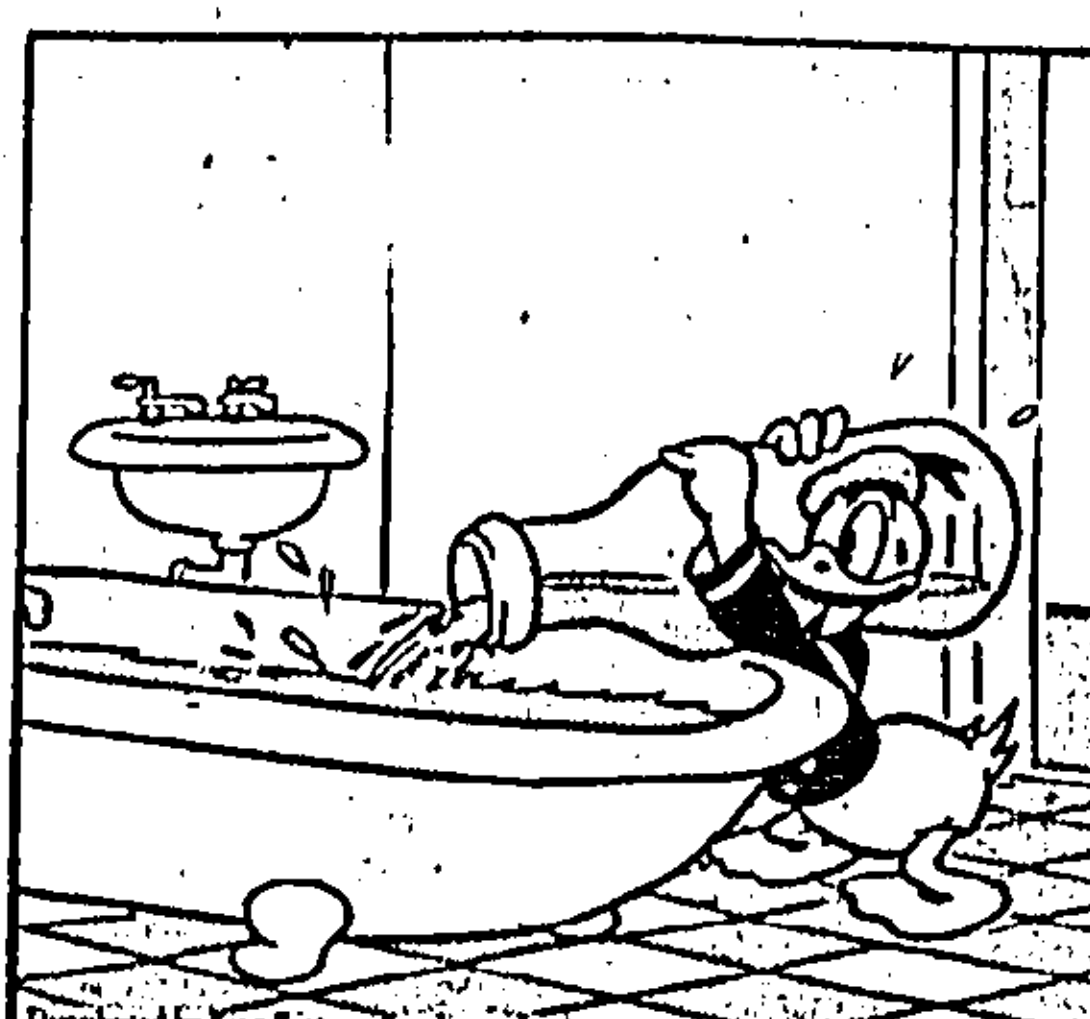
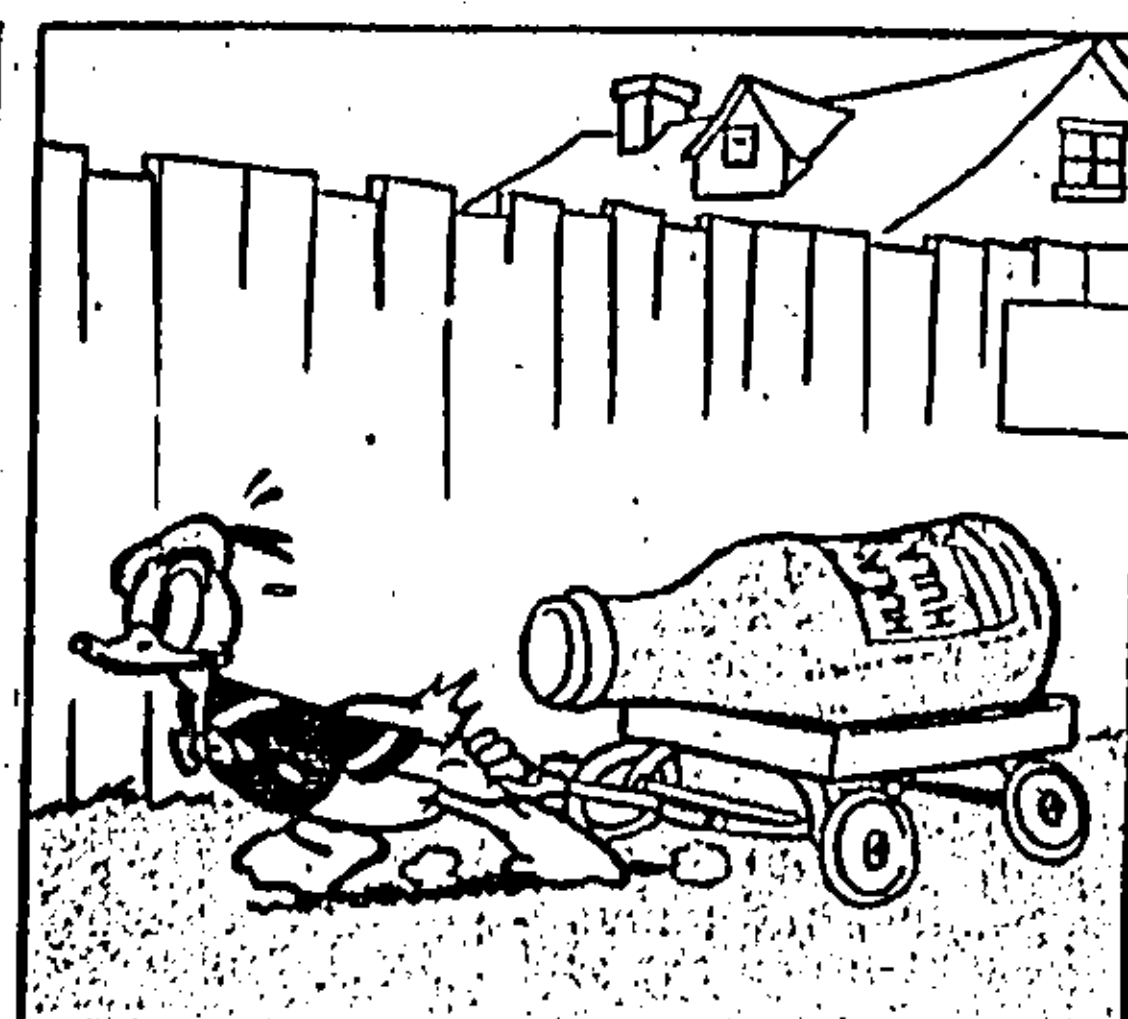
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Crossword Puzzle

By LAIS MORRIS

ACROSS

- 1—(Small)
- 2—Kind of puzzle
- 3—Boats
- 4—Close setting of
- 5—Lamiae
- 6—Artistic
- 7—Right before
- 8—Mark of location
- 9—Blind found
- 10—Clock
- 11—Onions
- 12—Exotic bird
- 13—Line of sewing
- 14—Strand
- 15—Self-punishment
- 16—Crown
- 17—Biforce
- 18—Inquire
- 19—Sally
- 20—Held holder
- 21—Turf
- 22—Achieve with dub-
- 23—Cults
- 24—Conquered
- 25—Heritage
- 26—Paternal
- 27—Liable
- 28—One who stills
- 29—Principal
- 30—Earling
- 31—Peasants
- 32—Wrinkle
- 33—Wet into
- 34—Part in play

DOWN

- 1—Unclosed
- 2—David
- 3—More than
- 4—Live
- 5—One who retreats
- 6—Period of time
- 7—Hindrance
- 8—Custom
- 9—Long scarp
- 10—Cell framework
- 11—Knitting stitch
- 12—Understand
- 13—Love extremely
- 14—Killing
- 15—Place in Belgium
- 16—Belief
- 17—Call out
- 18—Bustle
- 19—In the nose
- 20—Hire
- 21—8000 links
- 22—Laid paint coatings
- 23—Bustle
- 24—Tetrahedron
- 25—Jumper
- 26—Malign
- 27—Remains of merit
- 28—Accidents
- 29—Steel coating
- 30—Hare
- 31—Exterior
- 32—Chamber residence
- 33—Away from wind
- 34—Transmit
- 35—Hear
- 36—Japanese cash
- 37—Cozy room

HOW THE BALTIC STATES STAND

(Continued from Page 4.)

under the leadership of the Baltic "Napoleon", General Laidoner, have given a good account of themselves in the past and would give an even better account in the future.

To Estonia's and Latvia's resistance might also have to be added that of Lithuania, with her 75,000 trained men and auxiliaries, who is bound to Estonia and Latvia in the Baltic Entente, and who would probably consider a threat to their integrity a threat to her independence as well.

THESE strategic considerations leave out of account, however, as pointed out to me by M. Selter, the Estonian Foreign Minister, that no small country is likely to be left on its own to resist a powerful aggressor. It will probably be lined up with a number of nations in a much larger conflict.

The attitude of the ordinary inhabitant of the Baltic States and Finland towards aggression was expressed to me in Finland as follows:

"To us, our country is everything. It is all we have. We will fight to the last man to keep it. To an aggressor Finland does not mean so much. Every German is not prepared to die for Finland."

It is this spirit, the spirit of young nations who have regained their independence after centuries of foreign domination and persecution with which an invader would have to reckon. The Baltic States and Finland would not distinguish between Russian "intervention" to guard her vital interests, or German aggression.

No country, except a Major, would alone be able to resist aggression by a Major Power. Finland, Latvia and Estonia with their proven armies and admirable fighting spirit would hope to hold out for a period ranging from one to three months against a Major Power and if that Power had also other fronts on which to fight, which they envisage would be the case, indefinitely.

AN UNRECORDED INCIDENT OF THE GREAT WAR

(Continued from Page 4.)

Went we lost sight of him I began to worry about my gear but we were very lucky we went back and found it in about two hours.

Having retrieved their gear, they were not content to go home without making another attempt to intercept the submarine.

So I got the gear, splined the warp and shot with our head toasted to see if we could meet him coming down again but no luck. All I can say we must thank our gunner (James L. Hughes) for being a good marksman he say he owes them one they have killed three brothers of his.

Truly Skipper R.N.R.
 C. B. Wright.

If Skipper Wright is still alive—and I hope he is—he must be an old man by now, but I have no doubt, if he can get such staunch men as Tom Bowles and James L. Hughes to help him, he would still prefer to hunt submarines rather than herrings.

Neutrality Act Revision Will Not Affect China

Chungking, Sept. 27. President Roosevelt's new neutrality proposals, which are favourable to Great Britain and France, will not affect China, says an article this morning in the Siao Tang Pao, the mouthpiece of the Chinese Army. "German merchantmen," says the article, "have already been swept off the oceans and the cash and carry clause therefore can only benefit Britain and France. Since the United States has never recognised that a

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 12.15 p.m. Short Service of Intercession
 12.30 Leadie Hutchinson (Vocal) at the Piano.
 12.45 Jan Garber and His Orchestra.
 1.0 Time and Weather.
 1.05 Reginald Foort (Organ) and Rolo da Costa (Piano).
 1.30 Reuter and Rugby Press, Weather and Announcements.
 1.45 Chopin—Concerto No. 2 in F Minor, Op. 21.
 2.15 Close down.
 6.0 Studio—Children's Programme.
 6.45 London Relay—News Supplement.
 6.50 Closing Local Stock Quotations.
 6.52 Sydney Gustard at the Organ.
 6.02 Songs by Beniamino Gigli (Tenor).
 6.15 Alfredo and His Orchestra.
 7.40 Studio—Another Musical Cocktail by Erich Forges (Piano) (from Jimmy's Kitchen).
 8.0 Time and Weather.
 8.03 Variety Programme with Sophie Tucker, The Vagabond Lover and The Mills Brothers.
 8.45 Studio—"The Development of Britain's Air Arm" A talk by E. I. Wynne-Jones.
 9.15 London Relay—The News.
 9.30 Schumann Songs.
 9.45 Schumann—Sonata in D Minor, Op. 121—2nd, 3rd and 4th Movements.
 Hephzibah and Yehudi Menuhin (Piano and Violin).
 10.05 Bizet—The Fair Maid of Perth-Suite.
 Sir Thomas Beecham conducting the London Philharmonic Orch.
 10.23 Verdi's "Aida" Act IV.
 11.0 Close down.

state of war exists between China and Japan, the present neutrality law will not affect China. As outwardly the new Neutrality law aims to prevent the United States from becoming involved in the European war, President Roosevelt's proposals are likely to be adopted by Congress."

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 "Rose Marie" "Indian Love Call"
 "Donkey Serenade" "Sympathy"
 "Love Everlasting" "Glennina Mia"
 60060—Kunz Revivals No. 8. Intro:—
 "Annie Laurie" "Loch Lomond"
 "Comin' Thro' The Rye"
 "Auld Lang Syne" "Villa"
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 etc., etc., etc.,

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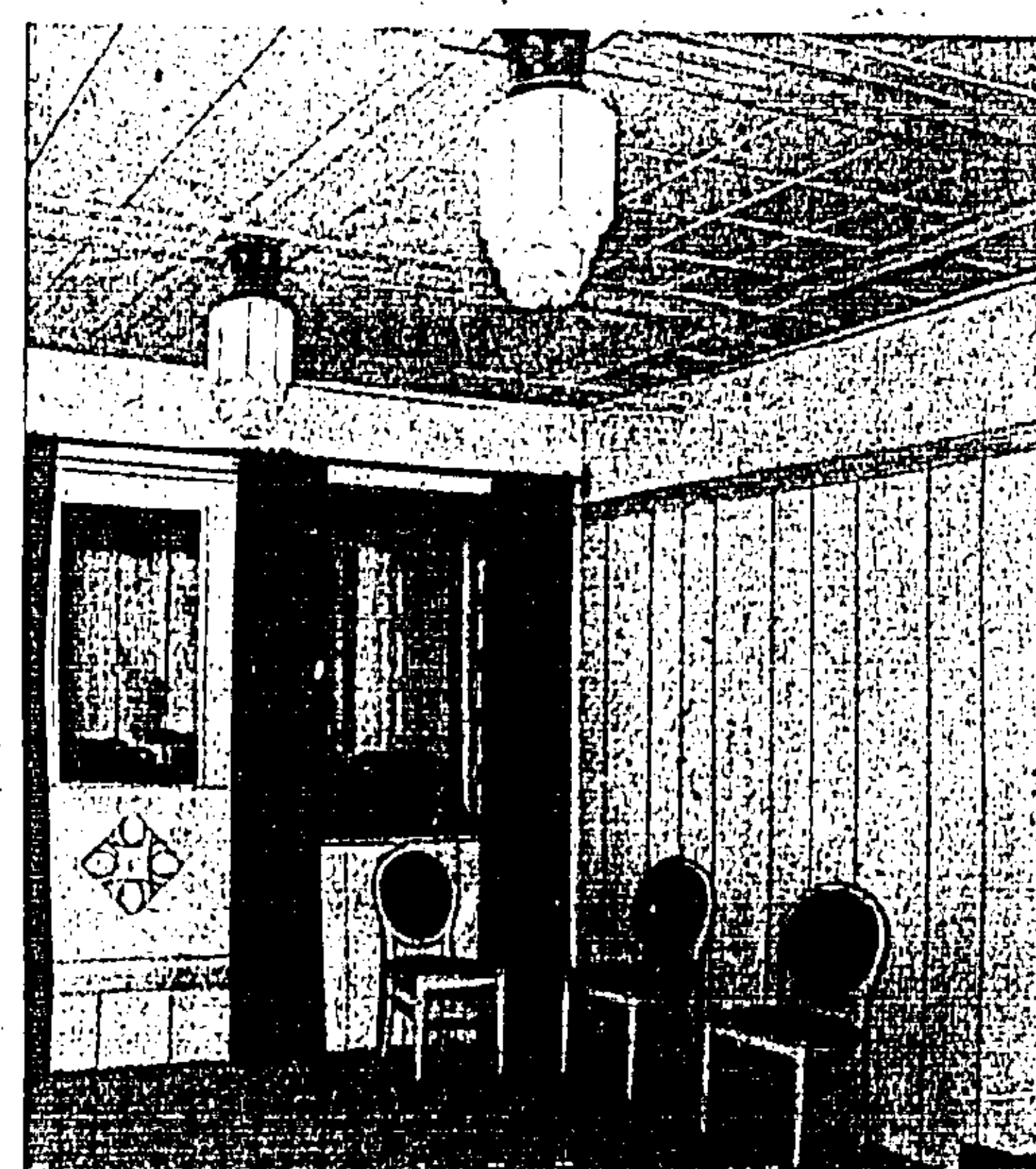
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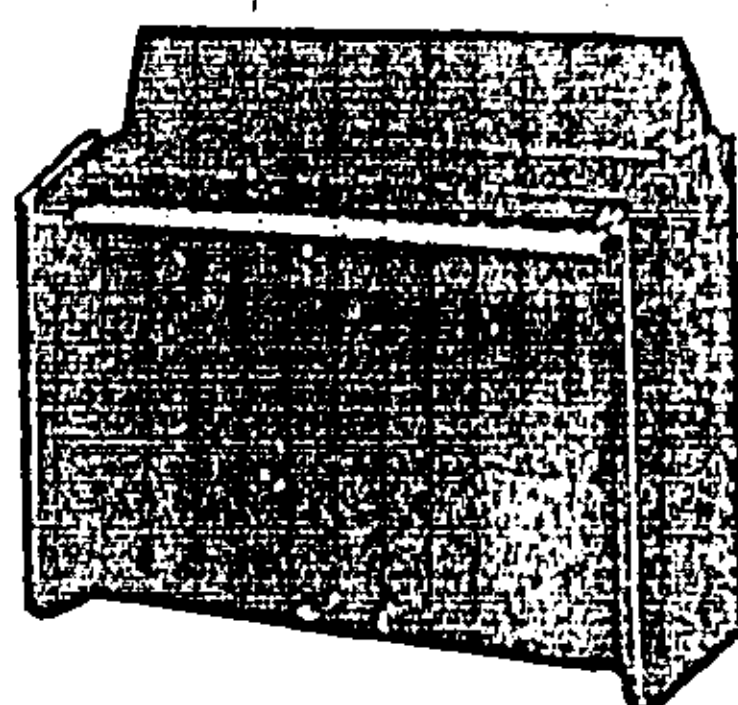
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The **Hongkong Telegraph**
Wyndham St., Hongkong
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September 28, 1939

Threat To Rumania

THE Russian threat to Rumania is of more consequence to the Allies than the possibility of an invasion of Estonia or any other Baltic State. Rumania is one of the four countries whose territorial integrity was guaranteed by Britain and France.

The background for the somewhat critical events that are now occurring in and around Rumania is mainly that country's phenomenal aggrandisement. "Greater Rumania", as it emerged from the Great War and the Versailles Peace Treaty, is more than twice as large and populous as the Rumania of early 1914, and the problems that are confronting it to-day are commensurate with its rank as one of the middle-sized states of Europe and its very strategic position on the checker-board of European diplomacy.

As a natural corollary to its tremendously increased size, there has existed for the past twenty years the problem of assimilation of non-Rumanian populations. Rumanian territorial expansion was effected at the expense of enemy countries—Austria, Hungary and Bulgaria—and of a former ally, Russia, from which it took Bessarabia. Hence, Rumania to-day is seriously concerned with maintaining the status quo. The dispute with Russia and the tension that has arisen along the Dniester River is over the annexation of Bessarabia. Rumania secured international recognition of the annexation from the Allied Powers in October, 1920—but the Soviets, from which the territory was taken, have never recognised Rumanian sovereignty. To guarantee her position, Rumania endeavoured to establish an anti-Soviet block; she formed a Polish-Rumanian alliance of mutual assistance and received guarantees from Britain and France that they would come to her assistance should her territorial integrity be violated. The pact with Poland is dead—killed, in fact, by Rumania herself, for Poland needed assistance before Rumania. The guarantees from Britain and France are almost as dead, for any assistance they could render Rumania in the event of aggression would be contingent upon Turkish co-operation in the Black Sea.

Russia is not the only neighbour who is striking matches around the powder barrel of minorities upon which Rumania sits. Hungary is implacably hostile, and will remain so until her incessant demands for revision of territory are met. There are 1,400,000 Magyars in Rumania; a minority almost as vociferous as the smaller Nazi party. In the south, Rumania jealously guards Dobruja, which faces on the Black Sea, and which Bulgaria would like to see re-incorporated within its borders. Bulgaria is not so powerful or insistent upon treaty revision as Hungary; nevertheless, there is every prospect that Bulgaria will force the issue if she believes that Rumania's hands are tied in the north.

The situation in the eastern Balkans is complex and by no means reassuring. Rumania is in much the same unhappy position as was Czechoslovakia just before the Nazi invasion last year. If Russia seizes Bessarabia, the other wolves will assuredly join in the scramble.

How The Baltic States Stand

THE BALTIC STATES are jittery.

There have been all sorts of rumours this week of impending Soviet military action, of ultimatums and demands, and of concentrations of troops.

Russia has long had her eyes on the small Baltic States. Not that they are rich, or that they themselves constitute a threat to Bolshevism.

But, to Russia, they are of the greatest strategic importance. Russia's frontiers are vulnerable mainly from this quarter.

That is why, in the negotiations with Britain before the signing of the Russo-German Non-Aggression Pact, Russia sought British guarantees for the Baltic States.

Russia fears that Germany might one day use the territory of Finland, Estonia or Latvia as a base of operations against her.

Finland, through her control of the Gulf of Finland, is in a position to render the passage of the Russian Fleet into the Baltic very precarious. It is not more than one hour's steaming from one side of the Gulf to the other.

Russia's vital single track railway from Leningrad to her only permanently ice-free port, Murmansk, runs almost parallel with the Russo-Finnish frontier. The White Sea Canal, which would enable Russia in time of need to transfer her Fleet from the Baltic to the North Sea, via the White Sea, is within easy reach of planes operating from Finland.

Further, seizure of the Aland Islands by a Power hostile to Russia would not only enable the Russian Fleet to be bottled up in its harbours but would enable the use of the Great Arctic Highway, an excellent motor road, running from Tornen in the north of the Gulf of Bothnia to Petsamo, near Murmansk, for military operations against this vital Soviet Naval Base.

An aggressor, seeking to use Finnish territory as a base for operations against Russia, would doubtless seize the Aland Islands as a first objective, and the non-fortification of those islands by Finland renders them an easy prey.

FINNISH generals with whom I have spoken consider the Aland Islands in their present defenceless state to be the weakest point in Finland's ability to resist an aggressor, and it is for this reason that Finland desires so ardently their fortification.

Paradoxically enough, it is Russia who objects to the fortification of these islands. The reasons which lead Russia to prefer islands vital to Finnish integrity to remain defenceless are known only to students of Kremlin inner circles. Finland cannot understand Russia's attitude, suspects her motives and it is considered in competent circles in Helsinki, will soon fortify Aland, with or without Russian permission.

CONTROL of the Aland Islands by a Power hostile to Russia does not necessarily mean control of Finland, although some of Finland's most important railways, from Helsinki to Abo and Nystad would be within artillery range of the islands.

Finland relies above all for her coastal defence on the immense fortifications constructed by the Russians in pre-war years—fortifications which it would be beyond the power of Finland's purse to construct herself.

The chief of these are on the island of Makellot west of Helsinki, from which 12 guns control the Gulf of Finland opposite the Estonian capital of Tallinn. Numerous

other islands in the Gulf are also fortified, notably Svanborg, "Key to Helsinki", where the old Russian fortifications are extremely massive and strong.

Opposite Makellot, on the Estonian side, are complementary fortifications on the islands of Aegna and Margo, between which the shipping channel passes to Tallinn.

Aircraft are forbidden to fly over these islands, but I understand from enquiries on the spot that both of these islands have also 12 guns mounted and that with the fortifications on the Finnish side they could effectively

by
H. GREGSON

ly close the entrance to the Gulf of Finland for any aggressor.

Until the Aland Islands are put in a state of defence where they could resist capture by a major Power, it is perhaps over-optimistic to talk of Finland's power to resist an expedition penetrating the Gulf of Bothnia.

Finland, however, relies above all on her miles of marsh and forest, which would render advance by mechanised force impossible at most seasons and on the excellent fighting qualities of her troops, who have been called, owing to their stubbornness, the "Serbs of the North".

Her armed forces have a peace time strength of 32,000 officers and men but these could be considerably increased in time of war and there are in addition 160,000 men and women enrolled in the so-called Civil Guards.

ESTONIA and Latvia are less fortunately placed than Finland, as regards natural and other defences, to resist an aggressor.

Estonia could put 90,000 men in the field and has an air force of some 70 planes. Latvia has about 25,000 officers and men, a small Fleet, and trained volunteers which would bring her effective fighting forces up to 100,000.

Estonia and Latvia, however, have a military alliance, and the Estonian Commander, General Laidoner, is one of the greatest military leaders of Europe.

Both countries have extensive defence works along their frontiers with Russia, and their territory, although flat, is densely forested in parts, and admirably suited to cavalry, which is a specialised branch of both armies.

Nobody who has seen the sturdy, broad-shouldered Estonian and Latvian soldiers, looking very business-like in their khaki uniforms can doubt their fighting qualities. Numbers are in this respect perhaps no guide because in their fight for independence the Estonians and Latvians fought three armies at the same time—the Germans under von der Goltz, the Baltic German landowner movement and the Bolsheviks. They emerged victorious, in spite of numerous losses.

The Latvians in pre-war days were especially sought after as recruits by the old Russian Imperial Army. Hence, when referred to the Latvian regiments who held him up outside Riga in 1916-17 as the "bright stars of the Russian forces", and there is no reason to believe that their morale is worse.

On the contrary, the price promised to the Latvian and Estonian soldiers for their sacrifices in the cause of independence was the land formerly held by the German Baltic landowners. They obtained independence and the land, and to-day both countries are nations of sturdy smallholders who know the value of what they have and are prepared to fight to keep it.

I ASKED the Foreign Ministers in Finland, Estonia and Latvia the direct question: "Can you resist a powerful aggressor?"

M. Erkkila, the Finnish Foreign Minister, replied with assurance: "We are quite capable of looking after ourselves."

M. Selter, the Estonian Foreign Minister, was more circumspect, as his country's more exposed position must lead him to be, but his reply left no doubt in my mind that the Estonians are prepared to put every ounce of their strength into resisting aggression from whatever source.

This same man, he said of Latvia, "Estonia and Latvia put their faith in mobility rather than in permanent fortifications for effective resistance. Summing up, one may say that it would be the height of folly for an aggressor to use a hostile Finland as a base for operations against Russia. The terrain is admirably suited to guerrilla tactics, even supposing the coastal defences were overcome, and Finland is in such close contact in many spheres with Sweden, that an aggressor would possibly risk the antagonism of Sweden as well."

Estonia and Latvia are not so favourably placed geographically as Finland, but their combined armies

GRIN AND BEAR IT By Lichty



"What's this I hear about you offering to give that blonde across the hall a screen test?"

AN UNRECORDED INCIDENT OF THE GREAT WAR

LAST WEEK you read in the "Telegraph" how a Grimsby trawler rammed and sank a U-Boat. Here is an episode of the last war, in which a small trawler played a heroic role. If the submarine did escape on that occasion, it was certainly not the fault of Skipper Wright and his gallant crew!

By G. F. GILBERT

NOT ALL the heroic deeds performed by British fishermen during encounters with enemy submarines in the Great War have found their way into the official histories of that conflict.

Such a one I am now going to relate—or rather I will allow the chief actor in that dramatic episode of the sea, which took place in the latter part of 1917, to speak for himself. No words of mine could describe the scene as well as he does.

The very modesty with which he relates his experiences immediately stamps his story with authenticity.

Had the letter-I quote been written by a man of education or carefully prepared beforehand, there might have been a doubt that the facts, if not untrue, had been exaggerated.

As it is, the simple phrases, the frequent mis-spellings and the occasional defects in grammar all go to show that the author was a man of deeds rather than words.

The letter came into my possession during the time I was serving in the Convoy Section (which worked in close conjunction with the Anti-Submarine Division) at the Admiralty.

The idea of a small fishing boat daring to attack a submarine filled me with such admiration that I made a copy of the letter which I have kept to this day.

THE writer's name was C. B. Wright. He was a Skipper (R.N.R.) and lived at 18, Prospect Road, Brixham.

The Admiralty had mounted a small gun in his boat—probably a three-pounder—and had given him a uniform and permission to fly the White Ensign. He must have been a proud man!

His letter began: "I suppose by this time you have heard we have been in action with a sub, we were fishing about fifteen miles W. by N. of Berry Head we were to windward of the fleet, about ten past four the mate saw a sub coming toward us with his head in the N.W. I went up the rigging with the glasses I saw what it was I could see his gun and coming tower."

In the midst of peaceful fishing, what excitement the advent of a U-Boat must have caused! You would have expected them to abandon their fishing gear

and try to escape while the going was good. But did they?

I ran down and ordered our foremast down and topsail down to make him think we were getting out our boat, we chopped our foremast with buoys on it and a light in the den.

What about that for a quick thought-out stratagem! The skipper had evidently kept his wits.

I then up black pennant and up White Ensign. (He had not forgotten the rules of war.) When our Ensign got clear of our mizen our first shot was gone, just as our gunner had the second shot ready, he fired one shot it went between our main sail and mizen mast.

SKIPPER WRIGHT, probably for the first time in his life under fire, was not ashamed to admit that he had the "wind up," but, in spite of this, he finds time for a few words of reassurance to his gunner, asking him to "take it cool and steady." Nor does he forget to manoeuvre his ship into a position offering as small a target to the enemy as possible.

I thought our time had come, his letter continued, I said to our gunner now take it cool and steady and get your mark home he fired our second shot and it went straight over his deck, we saw a cloud of black smoke come from his Deck. I then told the mate (Tom Bowles) to keep our ship and on to him so he could not have such a good target at us as we were broad side on to him when he fired. I then ran down the hold to get some more ammunition but while I was there he turned with his head to the castle.

Much to their disappointment the U-Boat, probably disdaining to waste time fighting so small a craft, went away.

The gunner called me up he said Skipper he is going away from us I said give him another the mate had to port and brought our ship too and the gunner fired but he was out of range, so we chased him (what cheek!) till he was out of sight if I had only known we had damaged him I would fired all shots we had on Deck but you know what it is in a time like that me and the mate had to be all over the ship in about three minutes we did not have time to start our other motor. If we could have started the other we may have kept in range with him so we could have got three or four more shots into him.

IT WAS only then that they began to worry about losing their fishing gear.

PLEASE Turn To Page 3.

PLEASE Turn To Page 3.

OVERNIGHT
NEWS PAGEBudget
Presented

LONDON, Sept. 27 (Reuter).—Introducing the War Emergency Budget, Sir John Simon said he could not guarantee that the five hundred million vote of credit would be sufficient to cover all the requirements up to March 31 next.

It was obviously impossible, he said, that the whole of Britain's war expenditure could be provided from taxation.

Sir John foreshadowed National Defence Loans on a larger scale. The time has not yet come to issue a national loan, however, he said. When the time comes new loans of various types would be offered.

Estonia
Worried
By Soviet
Situation Obscure

Copenhagen, Sept. 27. The Estonian delegation, headed by M. Kurl Selter, is flying to Moscow to-day, according to Politiken, which reports that the Soviet has demanded from Estonia a fresh trade agreement and use of the harbour in the Baltic as a naval base. (Reuter Bulletin).

Moscow Seeking Excuse

Moscow, Sept. 27. The Tass Agency reports that in view of Estonia's explanation of the disappearance of the Polish submarine being unsatisfactory, negotiations have begun in Estonia to ensure Soviet waters against submarines hiding in the Baltic. It is incomprehensible that a submarine which entered Estonian waters for repairs could escape. It is therefore believed that the repairs and fueling enabled the submarine's escape and thus protection of Soviet waters is of great importance.

According to a New York report the German wireless has circulated a dispatch concerning the current Estonian-Russian diplomatic interchanges and stressing that the impression exists in Kaunas that Russia desires to conclude a far-reaching political and economic agreement with Estonia, including the establishment of free port zones in Estonian harbours and the right of Russia to maintain military garrisons therein for protection of Russian interests.

It is reliably understood in Bucharest that the departure of the Estonian Foreign Minister for Moscow is due to the Soviet demand for Estonia to disarm immediately, and especially dismantle the fortification of three Estonian islands in the Bay of Finland from where traffic with Leningrad can be controlled. (United Press).

Estonia Growing Worried

Tallinn, Sept. 27. The Commander-in-Chief of the Estonian Army has issued a warning by radio that if Estonia is attacked she will defend herself valiantly and unflinchingly. He said the country had done everything possible to keep out of the conflict, but it will fight again if attacked as it fought for liberty 20 years ago. (United Press).

Soviet Ultimatum Sent?

Berlin, Sept. 27. It is understood that the Moscow radio reports that an ultimatum has been sent to Estonia concerning the Polish submarine. The German Foreign Office and Propaganda Ministry profess to have no information. (United Press).

Soviet Influence Grows

Helsinki, Sept. 27. Official circles believe the reports that Russia is planning to re-protect to Sweden in regard to the Åland Islands. Neutral observers, however, believe that in view of her increased influence in the Baltic, the Soviet is likely to consider the time ripe to settle the question in a favourable way with a view to holding a key position in the islands in the event of a Baltic war. (United Press).

NEW BALKAN
PACT?

Moscow, Sept. 27. The Turkish Foreign Minister, Bay Suret Sami, is at present here continuing his talks with M. Molotov. It is rumoured there may be a new Balkan Pact, in which Turkey, Greece, Rumania and Bulgaria will form a union with Italy and Russia guaranteeing the status quo. (Reuter Bulletin).

Hungary Nervous

Budapest, Sept. 27. It is reported that the Russians have stopped 10 kilometres from the

WARSAW TO SURRENDER:
ORDEAL NEARLY OVERDelegates To Decide
On The Terms

The ordeal of fire, hunger and bombardment is still being borne by the citizens and garrison of Warsaw, the last outpost of effective resistance in Poland, however, the city's ordeal is now apparently over for the Polish Garrison Commander has agreed to surrender and a German delegate has been sent to confer as to the terms of surrender.

Despite German claims that they have forced their way into the suburbs, the end of three weeks fighting finds the spirit of the defenders unquelled and the defences materially unimpaired.

Though the Soviet investment of towns in the eastern half of the country continues, the Red Army has not taken up its allocated area at Warsaw and has not taken part in the siege of the former capital.

The formation of a new Polish Government to replace the interned administration awaits a reply from the former Premier and Foreign Minister, M. Ignace Paderewski. There are other prominent Poles who would be willing to take office.

A policy of watch and wait pertains on the Western Front, the occasional raids by the Germans being on a small scale evidently intended as a prelude to a big attack.

Berlin, Sept. 27.

A German High Command communiqué claims that the Polish Commander in Warsaw has offered to surrender the town and garrison.

It adds that this offer was made after the capture of the first line fortifications outside the city. A high German military official is reported to have been ordered to negotiate for the surrender.

The communiqué states that in the Eastern Front the German troops continue to advance towards the line of demarcation, but it does not state whether the troops are advancing towards the line or are retreating in the face of the Russian invasion. (Reuter Bulletin).

Negotiator Chosen

Berlin, Sept. 27. A German High Command communiqué states, "Warsaw, which at the outbreak of hostilities was considered an open town and respected accordingly, has been transformed into a fortress by the measures of the Commander who restored the old forts and armed part of the civil population. Our attack yesterday brought into German hands the first line forts north of the city and the second line in the south."

"As a result of these attacks the Polish Commander to-day offered to surrender the town and garrison. The German Commander-in-Chief has commissioned General Blaszkowski to negotiate terms of surrender." (Reuter).

Embassy Informed

Washington, Sept. 27. The German Embassy is officially informed that Warsaw has surrendered. (United Press).

Town Invested

Moscow, Sept. 27. Russian forces yesterday occupied the fortress of Ostrovetz on the border of Poland. It adds that 30,500 Polish soldiers have been taken prisoners. (Reuter).

New Government

Bucharest, Sept. 26. It is understood that the formation of a new Polish Government is awaiting a reply from the former Premier, Ignace Paderewski, the famous pianist, and that all other arrangements are nearly complete.

Although the men behind the new regime are anxious for his world-wide prestige, they are ready, in event of his refusal, to continue with another. One dominant figure in any event, although he might not actually be a member of the Government, would be General Ladislaw Sikorski, for years one of the opponents of the late Marshal Pilsudski who offered his services to Marshal Smigly-Rydz at the start of the war but was refused.

Although the present Government is interned here, some notable Polish figures have left Bucharest at the instance of King Carol including Count Szechenyi, a member of one of the oldest noble families, and Under-Secretary in the Foreign Office, who is believed to be on his way to Paris. (United Press).

Paderewski, who is 71, donated thousands of pounds to Polish objects and devoted the war years to great efforts to revive his country. When he returned to Poland after the war an attempt was made on his life. Elected Premier and Foreign Minister he resigned because the opposition of Marshal Pilsudski and the army nullified his efforts to make peace with Russia. Paderewski was offered the Presidency of Poland but declined and he left the country and retired from politics in 1921.

Hungarian frontier owing to difficulty encountered in the Carpathians which are being swept by heavy snowstorms.

It is believed that the establishment of a common frontier by the Soviet has caused a shock in political circles, which found the Hungarian public opinion unprepared. The official point of view is that the joining of the anti-Communist Pact by Hungary is not directed against Russia but only against the Comintern. Nevertheless, public opinion never distinguishes between the Comintern and Russia. (United Press).

The War Position

Progresses
Well For
Allies

London, Sept. 27. As activity develops on the whole of the Siegfried Line, the value of the Allied reconnaissance far behind the German front are becoming more and more apparent.

The French High Command reports show full admiration for the R.A.F. both in the quality of the machines and skill of the pilots.

The French regard as exaggerated last week's reports that 1,200 to 1,500 German planes are concentrated on the Western Front. The recent Allied explorations in German territory met surprisingly little resistance, and hence it is conjectured that the previous estimates of the German air strength were exaggerated or the losses in Poland were more serious than it was supposed.

The last war possibility that the Germans are trying to outflank the French right wing by marching through the plain of Basle and "Gap of Neuchâtel" was frequently feared. The Swiss army strength and French positions in the Jura mountains should sufficiently counter any such attempt.

Admiration for the dauntless defence of Warsaw despite flame and famine is unbounded. The Polish guerrillas are now reported to be re-forming along the River San and harassing the German flanks and communications. Military critics believe that the German losses in Poland cannot be negligible.

French observers say that the new German troops on the Western Front are from the interior of Germany and certainly not from Poland.

Herr von Ribbentrop's flight to Moscow attracts the widest interest. Critics ask why the Soviet suddenly mobilised 4,000,000 men when already she had a force of 500,000 on the Polish frontier, which was ample for occupation of White Russia and the Polish Ukraine was only intended.

The Nazis are believed to be particularly anxious of the revival of Pan-Slavism through the Balkans under Communist direction. (Reuter).

Japan Mobilises: More
Power For Premier

Tokyo, Sept. 27. A new Imperial Ordinance designed to enlarge the Premier's powers in executing the National General Mobilisation Act was promulgated in the official Gazette to-day effective immediately. The new measure provides that:

Firstly, all State Ministers, the Governor-General of Korea and Formosa, the Japanese Ambassador to Manchukuo, the Governor of South Sakhalin and the Governor of the Japanese-mandated Islands in the South Seas shall consult the Prime Minister in issuing, modifying or repealing the orders necessary for the enforcement of the National Mobilisation Act.

Secondly, the Prime Minister is empowered to give all Government offices concerned instructions necessary for the control of affairs relating to the enforcement of the Mobilisation Act.

Government circles point out that the new Imperial Ordinance neither violates the constitution nor runs counter to the spirit of the existing legislation.

A foreign correspondent asked the spokesman of the Foreign Office whether the expansion of the

SHANGHAI
MURDER

Shanghai, Sept. 27. The Settlement Police are baffled by the murder of a Chinese police constable who was shot dead while on point duty in Settlement Road yesterday.

The constable is said to have been shot by a gunman who drove up, descended and fired several shots from point blank range and then drove away.

The only witnesses of the killing were several rickshaw coolies. The Police failed to find a motive, stating that there was no trace of gangster revenge or political reasons. (Reuter).

Car Fired On

Chungking, Sept. 27. A technician of the Chung Nam Tannery was fired upon by terrorists in Amherst Avenue in the Shungchi Western district. His car was hit by several bullets. (Central News).

There Was A North

Sea Fight

WARSHIPS
VERSUS
BOMBERS

London, Sept. 27. Asked in the House of Commons whether he could make any statement on the rumour that the German High Command that German aircraft had attacked British battleships in the middle of the North Sea, and whether there was any truth in the statement that an aircraft carrier had been destroyed and a British battleship badly damaged, and that German planes had returned to their base without loss, Sir Winston Churchill said, "The C-in-C of the Home Fleet has wired as follows, Yesterday afternoon a squadron of British capital ships, together with an aircraft carrier and cruisers and destroyers were attacked by about twenty German aircraft. No British ship was hit and there were no British casualties incurred. One German flyingboat was shot down and another reported badly damaged."

Replying to a supplementary question Churchill added, "Another German aircraft came down in the North Sea. We sent a destroyer to collect her and her crew of four, who have been brought in as prisoners." (Reuter).

Clash In North Sea

London, Sept. 27. In the House of Commons to-day, Mr. Winston Churchill confirmed the Anglo-German aerial and naval clash in the North Sea. No British casualties were reported. One German flying-boat was shot down. (United Press).

Belgian Liner Held

Brussels, Sept. 27. It is officially announced that the Belgian liner Albertville, which was on her return trip from the Belgian Congo, has been retained in the Downs near Dover by the British authorities for more than eight days. She was permitted to continue her journey to Antwerp this morning. The Albertville is carrying 200 passengers and about 5,000 tons of cargo of copper, rubber, etc. (United Press).

Bremen In Russia?

London, Sept. 27. Mr. Winston Churchill, First Lord of the Admiralty, told the House of Commons that the German liner Bremen is believed to be in a North Russian port. (Reuter).

Shanghai Conference

Shanghai, Sept. 27. A Japanese naval spokesman stated to-day that another meeting will be held over the week-end among the commanders of foreign garrisons here when new Japanese demands in connection with the manning of the defence sectors will be made.

French commanding officers will also be invited to attend. (International).

Politician's
Death

London, Sept. 27. The death has occurred of Lord Rhyader at the age of 77. (Reuter).

Leitchfield Stratton Leitch-Jones was created 1st Baron Rhyader in 1932. He was a son of the late Rev. Thomas Jones, the poet-preacher of Wales, and Chairman of the Congregational Union of England and Wales in 1876-77. The name was changed by deed poll to Leitch-Jones in 1932.

Lord Rhyader was well known as a public speaker on politics and temperance. He was ex-President of the United Kingdom Alliance and President of the Liberal Council, 1934-37. He contested Westminster as Liberal and Labour candidate in 1892, Central Leeds in 1901, South Manchester in 1906, was Liberal M.P. for North Westmoreland, 1905-10, Rushcliffe Division, Notts., 1910-18, and Camberne Division of Cornwall, 1923-24 and 1929-31.

ARTS EXHIBITION

Calligraphy by A
Sung Emperor

Foreign residents in Hongkong are invited to visit the art exhibition of calligraphy by the Emperor Fei Chung of Sung Dynasty (about 1200 A.D.), paintings of horses by the eminent artist Chao Tsung and famous antiques, which will be exhibited in Kwangchow Restaurant, West Point, on September 30 and October 1.

Sponsored by the Shuntak County Relief Association, the exhibition will be open from noon to 10 p.m. All proceeds will be given to relief of refugees in Shuntak. Admission is free.

Rumania
Confiscates
Polish Gold

BUCHAREST, Sept. 27 (Reuter Bulletin).—Polish circles report that the Rumanian Government has seized 14 motor lorry loads of gold, valued at £25,000,000, belonging to the Polish Government.

This sum had been hidden near the border when war broke out and when the Government left Poland it was transported into Rumania. It was seized whilst being transported for shipment abroad.

The other half of the Polish gold reserve has already been shipped.

The Rumanian Government is reported to have stated that the gold was seized on the ground that it will be used for assistance of Polish refugees in Rumania.

WAR-TIME
FRANCEFrench Consul Sees
R.A.F. Officers

"Everyone in France has kept calm since war broke out. I saw many Royal Air Force officers in Le Havre before I left and they were given a great welcome," said the French Consul-General at Shanghai, Monsieur Auge, who arrived here yesterday by the Air France plane.

Monsieur Auge, who is returning to his post after leave, was in France for more than a week after war was declared and left for Hongkong on September 19.

"There has been no sign of panic anywhere in France. Even the railways are running more or less to schedule."

Other passengers who arrived by the "Ville de Bangkok" from Hanoi were the Count R. de Sercey, who returned after a quick visit to Indo-China, and two Chinese passengers, whose names were not divulged.

The plane is expected to leave for Hanoi this morning.

Imperial Plane Leaves

The Imperial Airways plane Delta, commanded by Captain J. N. Wilson, left yesterday for Bangkok. It carried two passengers, Mr. C. Polter and Mr. C. Davis for Bahrain, and 847 lb. of mail.

Clipper Delayed

The Pan-American Philippine Clipper due yesterday from Manila was delayed on account of adverse weather conditions over the China Sea. It is expected to arrive to-day.

BRITAIN-JAPAN

No Sign Of Resumption
Of Tokyo Parley

Tokyo, Sept. 27. Asked by a foreign correspondent as to the possibility of resuming the Anglo-Japanese negotiations for a settlement of the Tientsin issue, the spokesman of the Foreign Office declared this morning that there was still no sign of possible resumption.

Questioned whether Japan has requested the British and other foreign troops to withdraw from China, the spokesman said that no suggestion nor any request has yet been made by the Japanese Government. (Domest).

Shanghai Conference

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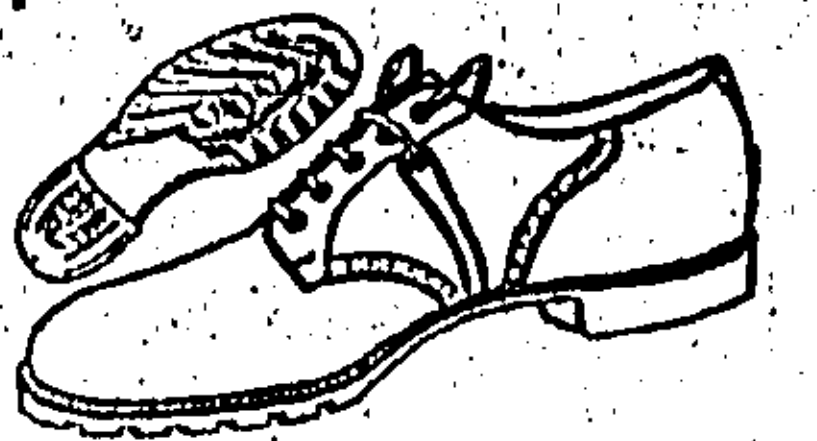
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LACK OF GRIMNESS SEEN IN CRICKET BY ENGLISH WRITER

Football Association's Gift To The Army

The Football Association have decided to spend a sum up to £1,000 on footballs and football equipment for the Army. Mr. Rous, the secretary, has discussed with the G.O.C. of Home Forces the possibility of the facilities of the F.A. being utilized during the war, with special respect to their panel of coaches, trainers and massours. The scheme has been favourably received and the authorities are going to arrange for its administration. Already a number of clubs have offered facilities for troops to participate in recreative exercises on their grounds. The Football Association also point out that the registration of all professional players remains effective and players cannot assist clubs other than those for which they are registered.

Successful Soccer Tour Comes To End

The South China Athletic Association's football touring team returned to the Colony yesterday morning after a very successful tour, during which they played 46 games in Java, Sumatra, Malaya and the Philippines, losing only five of them.

The team have brought back to the Colony a newcomer in Tam Chun-luen, from Medan (Sumatra), who plays a very useful game at inside-right. He is reported to be very much like Tui Quee-ling, former South China winger, in style, although more accurate in his shooting.

Financially, the tour is reported to be a success, although the international crisis had a disastrous effect on "sales" in Java, where the majority of the population avoided "big crowds." The four games in Manila were enjoyable and drew large crowds.

In their first game in which they were beaten, South China were unfortunate in that their custodian badly strained his back and was unable to hold any of the high angle drives, but for the remaining matches the team borrowed a Chinese goalkeeper from one of the Colleges and thereafter had things very much their own way.

Poor Positioning
Lee Wai-long, China's soccer idol and Colony centre-forward, joined the team in Batavia, but did not play immediately as he was laid up for almost a week with influenza. He watched many of the games, however, and paid particular attention to newcomers, among whom Hou Yung-sung, formerly of Kwong Wah, showed up well on occasions, although still very "green" in his positioning. The rest of the South China "A" players maintained their best form while Lee Kwok-wai, former Colony Interport left-half, turned out in the full-back division in several matches and was a very useful acquisition.

Asked about the projected Philippine Far Eastern soccer tournament, Lee Wai-long said that no concrete proposals had yet been drawn up by the Philippine Amateur Athletic Federation, nor was there any likelihood of anything being done until the international situation clears up. In any case it would have to be

Not long ago, in a club cricket match, a batsman, playing at a fast no-ball with studious care, had his wicket shattered. A deep-fielder, seeing but not hearing the batsman's ensuing remark, shouted to the bowler, "What did he say?" "He said," answered the bowler, "that he meant to miss that ball." "Oh, did he?" shouted the deep-fielder; "well, tell him from me that he's a d—d liar."

I should add, perhaps, that fielder and batsman had not for some years been on wholly friendly terms, and to those who with a craven mildness shudder at the unmistakable directness of the fielder's observation, I suppose that the episode appears painful, even disgraceful, says an English writer. Myself, I like it. It reeks of combat. I think that, in the circumstances, Dr. Grace would have enjoyed it. So would the great Lord Palmerston. It was a thrust; not a giggling prod from behind; something to arouse rage and a wholesome search for revenge, both of which are purgers of the soul.

For I have a feeling that modern cricket, with all its excellence and attraction, is in danger of losing a grandeur of combativeness, a vengefulness of intent. There is sometimes too much "by your leave," too much "bad luck," I didn't want to "you out," or "excuse that six into the road, but this is a wonderful bit of wood."

NO PARLOUR MANNERS

The fight and smell of the arena must not give place to the manners and accents of the parlour. A great cricketer like a great boxer, in action should be opposite—the last syllable being as in "cordite." Yorkshiremen are like this, yet there are no merrier laughers in the game. When not jumping on other teams they love to speak, to lie a-basking in the sun.

I suppose that no County cricketer, skill apart, has produced quite such grim faces on the field, and at the same time such playful eccentricities in spare time, as George Macaulay, among the more artistic bowlers of the post-war years, too early lost to the game through injury, took a high place among cricketers' gladiators. He would outface quite strong minded batsmen, then, strutting at close short-leg, would fix an opponent with an intensity worthy of a turnkey. But, as I remember, he was a gay companion when the day was done.

W. G.'S BLACK BEARD
A professional cricketer who for two or three years at the beginning of this century was probably the

discussed by the many Far Eastern nations.

NEW POLICE MEMBERS

Schoolboy International Included in Group

A schoolboy international, R. Hogarth was one of a group of sturdy young men who arrived from Home yesterday to join the Hongkong Police Force. Hogarth comes from Scotland and played football for his homeland against England before he had left school.

Police circles stand to profit generally from the arrival of this batch of young men. All have played either Rugby or soccer and one, C. Coult, played in very good class. All but one are newcomers to Hongkong. The exception is N. Reynolds, a native of the Colony, who has been in England for seven years; before that, he might have been seen on the football field with St. Joseph's College and the Central British School.

The others in the group were—J. Dempsey, I. R. Jack, J. L. Lewis, R. Macleod, K. N. McLeod, A. C. Pool, C. G. Smith, W. Todd, H. Tyler, and F. Woodhead.

greatest all-rounder in the world in a time when "stature" were so thick that the sky was a blaze of gold, recently expressed to me a doubt whether the game to-day produces so many "personalities" as when he was young. This was not just the old yearning and love for the past, for he is a shrewd and balanced judge of a player's life, an optimist, and a helper of young cricketers. From discussion two conclusions came, first that it is mighty hard for a man to be what is called "a personality" unless he possess the skill to warrant it and to set it off. For it is of little value to have "personality" if you make next to no runs, miss too many catches, and are not asked to bowl.

Indeed, it is very difficult to dissociate personality from skill. W. G.'s black beard meant runs. So did his huge shoulders, his Marylebone cap, his left toe cocked upwards. W. R. Hammond's skill and personality are, I think, identical and inseparable. He enters to the silence of admiration and expectation. If he is bowled, a great innings, has been lost. We sigh, and settle to enjoy as best we may the humdrum and the ordinary. It was so with Frank Woolley, a quiet man who wasted neither word nor gesture. "Here comes Stalky," I remember an umpire saying, as Woolley came out to bat number three. Of how few do we ever say "Here he comes!" Even quietness on him from his cap, moving feet to the tidiness of his cap. Such men are, as "personalities," more truly great than those who supplement their skill with irrelevant and grotesque eccentricities of movement, gesture or conversation.

His second conclusion was that personality is almost absent among amateurs. The answer was easy but almost absent. Yes, played in the meridian of amateur cricket, among Ranji, C. B. Fry, H. K. Foster, R. E. Foster, A. C. MacLaren, S. M. J. Woods, Lionel Palairet, F. S. Jackson, Gilbert Jessop, and many more, good, if not great. To-day you can number the amateurs that matter almost on your fingers, and of them only one is good enough to be picked for England, and he began as a professional. Fear, there is another, but he can't get away."

FENCER BACK IN COLONY

Mr. F. J. T. Locke, Public Works Department engineer, and a keen fencing enthusiast, found opportunity while on leave to meet many of England's and Europe's best men of the epee, foil and sabre, and in happier times might have established a claim to a place in next year's British Olympic team. He returned to the Colony yesterday.

He had a piece of good fortune at the outset when he was able to meet Kibosh, premier world sabre champion, in a friendly match at Buxton, and he had further trials against European fencers with epee and foil in Italy and Paris.

On his own account, Mr. Locke entered the British Open and British Junior Open epee championships, reaching the finals in each instance.

HAIPHONG TEAM ENTERTAINED

A dinner given last night in honour of the Haiphong Football team which had played a series of matches here, attracted a large number of guests. Among those present were Mr. Chan Lan-fong, Chairman of the Eastern Athletic Association, and many of the players who have played against the visiting team.

Mr. Cheung Su-tong, Manager of the Bank of Kwangsi, said recently a campaign was started to buy mosquito nets for the wounded soldiers of the Chinese Army. He had great pleasure in thanking the Haiphong Football team and the various local teams in adding the campaign. He thanked the Eastern Athletic Association and the Bank of Kwangsi for making it possible for the games to be played and for making the dinner the success it was. He then asked the gathering to drink a toast to the success of the Haiphong team.

Speeches were also given by Mr. L. F. Chan, Chairman of the E.A.A., Mr. Wren, manager of the Haiphong team, and Mr. Sunny Tang. The gathering broke up with a toast drunk for the health of the Haiphong team.

Here And There With "Abe" Home Football Not To Be Totally Affected

SOCCER at home is not to be totally affected by the war, as a cable published yesterday stated that the game will be resumed on October 14, though not in the same lines as the old professional leagues. Matches in Scotland will be run on the basis of two regional leagues, each of 16 clubs, and those in England will be on the basis of seven groups. This arrangement has been made following the recent Government order to permit football grounds and other places of entertainment in neutral and reception areas to re-open but they must not open later than 10 p.m. This is part of the official notification issued by Mr. S. E. Ross, the F. A. Secretary:—"Friendly matches at which it is anticipated a large crowd will congregate may be played in areas not specified in the official list, provided sanction is first obtained from local police headquarters."

Bad Luck For Them

No one quite knows what is the position of season ticket-holders, who have paid in advance for the present autumn and winter. Will they get their money back? It is doubtful. The action of Oldham Rugby League club in deciding not to return the £800 which they had received for season tickets before the outbreak has raised an interesting problem. Some League clubs have a handsome source of revenue from season tickets and really cannot afford to refund the money. For example, take Brentford. They have paid £11,000 on transfer fees and summer wages and with only one home game of £600 to recompense them will be hard hit if compelled to pay out more money. The Oldham president, Mr. J. Parkinson, hit the nail on the head when he said: "We must appeal to our supporters to make this sacrifice. The club have had only one home game of £144 and have spent £3,000 in the last eight months on eight first-team players."

Rugby At Home

THE Scottish Rugby Union have decided to cancel all fixtures arranged for this season, but games do not interfere with national duties or national service. The international ground may be played, field, Edinburgh, is to be offered to the authorities for national use and the Union recommend that where possible all clubs should make a similar offer. The English Rugby Union are expected to issue a statement on the same lines. In Wales the Union propose to wait a while to watch developments arising out of the decision to allow football to be played in neutral areas. There are high hopes of play in Ireland. Some clubs are beginning practice already and it is possible, at any rate in the north, that rugby will be played. Rugby League.

Rugby League

THE Council of the Rugby League met at Manchester on September 11 to discuss war-time football. It was decided that no League football should be played until no county cup-ties may be played. It was also decided that a programme of Lancashire competition and Yorkshire competition matches should be arranged. These matches will be played on an amateur basis with a maximum of 10/- for expenses plus rail fares. Amateur matches are to continue and all amateur Leagues are to make arrangements to play matches as desired by the clubs.

Greyhound Racing

THE future of greyhound racing as a whole in England does not look too promising and it looks as

though only the very best dogs will have a chance of surviving the war. Whilst daylight meetings are possible at the moment, it is necessary to start these meetings as early as mid-day in order for them to be completed in daylight. In addition owners are now being asked whether they are prepared to go on paying the regulation out-of-training fee of from 10/- to 12/6 a week for the keep of their dogs. If not, the animals are either destroyed or returned to their owners. A large number of dogs are thus being destroyed as the owners are too busy or unable to afford keeping them alive. In other cases they are being given away to people in the country who are offering the dogs good homes.

Horse Racing

IRREPARABLE damage to the breeding industry is feared if horse racing is held up in England for the duration of the war. The War Cabinet recently stated that it was preparing for a war of three years or more, but though meetings have already been cancelled this year it is unthinkable that racing could be held up altogether for such a lengthy period. The Jockey Club has had its case strengthened by the re-opening of cinemas and the resumption of greyhound racing in certain areas. Many race-courses are well away from industrial centres and there would be no difficulty, it is felt, in arranging fixtures for these which have not been taken over.

Lawn Bowls

Government House Team Defeated

Playing at the Kowloon Docks Recreation Club yesterday, a team from Government House was beaten 45-50. The most exciting game was that skipped by Messrs. Pegg and Brown, which was tied at 18 all. The score was 17-17 on the 10th end, and 18-17 on the 20th, but Brown managed to score a single in the last head to tie the game.

H. G. Cooper, E. Cock, S. Gray and R. Lapsley lost to W. A. Cornell, Brig. Gen. J. McLeod, J. Deakin and His Excellency, 14-18.

A. Calman, M. Ferguson, R. Morrison and J. C. Brown tied with Lt. Col. Collin, Justice Lindsell, Milne and H. H. Pegg.

V. Houston, C. M. S. Thum, V. Ramsay and J. Kempton beat H. Owen, Hughes, J. A. Fraser, S. H. Dodsell and Sir Atholl MacGregor 24-9.

More Names For International

Several more names have been received by the Hongkong Lawn Bowls Association for the Gutierrez International competition, which is expected to take place very shortly.

Latest names are: Scotland—G. Duncan (H.K.F.C.); W. Mair, J. C. H. Fender, J. S. Riddell, J. C. Aitken, W. S. Dail, W. McLeod and J. R. McWalter (P.R.C.).

England—G. Perkins and E. G. Post (F.R.C.); A. Brooksbank, W. Gill and J. S. Howe (H.K.F.C.).

Australia—W. J. Reid (H.K.F.C.). Wales—G. Davies and F. Channing (P.R.C.).

Hongkong Bowlers Lose Third Interport Match

SHANGHAI, Sept. 24.—The visiting Hongkong lawn bowls players were prevented from making a clean sweep in the Interport series yesterday afternoon when the local rink won convincingly by 29-10 at the Wayside Park in the last Interport encounter, thus partly avenging Shanghai's last two defeats. This is the first occasion on which the visitors played on a really fast green and Shanghai's rink played at top form, there was little chance for the Colony side to make a better showing than they did.

There was little doubt as to the superiority of the local four through-out the game as the Hongkong eight ends. Of these, seven were mere singles, but the abutmenters ran up a three on the 14th end for their ten shots.

A short-lived advantage was forced by the visiting team on the opening end when they chalked up a single. On the following head, the local aggregation came into their own with a splendid five, and thereafter they never relinquished the leadership, increasing their margin steadily as the game progressed.

The Interport sides, yesterday were:—Shanghai—G. V. Jensen (skip), W. A. Enry (No. 3), H. A. Ozorio (No. 2), A. McLeun (No. 1).

Hongkong—U. M. Omar (skip), B. W. Bradbury (No. 3), A. J. Hall (No. 2), G. Duncan (No. 1).		Shanghai		Hongkong	
Shots	Total	Shots	Total	Shots	Total
1	1	1	1	1	1
2	2	2	2	2	2
3	3	3	3	3	3
4	4	4	4	4	4
5	5	5	5	5	5
6	6	6	6	6	6
7	7	7	7	7	7
8	8	8	8	8	8
9	9	9	9	9	9
10	10	10	10	10	10
11	11	11	11	11	11
12	12	12	12	12	12
13	13	13	13	13	13
14	14	14	14	14	14
15	15	15	15	15	15
16	16	16	16	16	16
17	17	17	17	17	17
18	18	18	18	18	18
19	19	19	19	19	19
20	20	20	20	20	20
21	21	21	21	21	21

Id. 28151.

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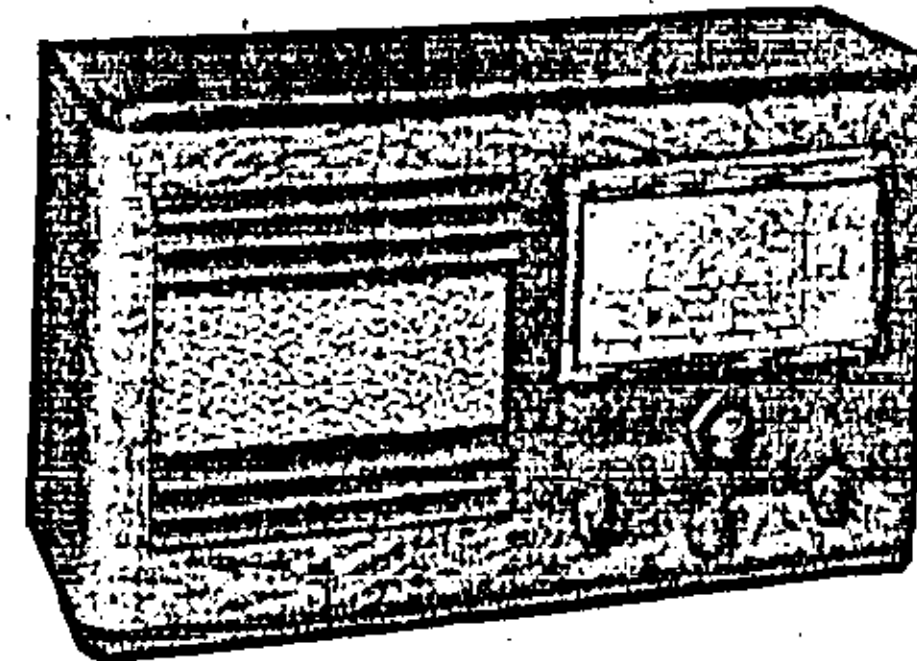
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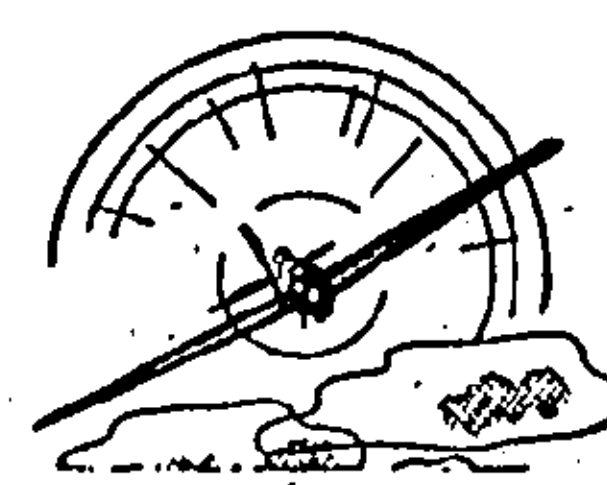
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SHORT CUTS

Make your own colouring for lozges and candy by using beet juice for pink, orange juice or egg yolks for yellow, spinach juice for green and blackberry juice for lavender.

Immediately after removing boiled ham from hot water, dip it into cold water. This will make the fat firm and white.

Save excess liquid from mustard pickles and mix it with meat in making sandwiches.

Salt added to the water in which spinach is washed, helps to cleanse it.

To simplify laundering a pleated skirt, run threads across the pleats. Put one row of stitches at the hemline, running other rows at intervals of six or eight inches.

Frosting A Window

An easy way of frosting a window is to fill a jam-pot one-third with gum arabic, and add a little hot water. Let this soak for several hours until the gum has quite dissolved, and add the same quantity of soda.

Stand the pot in a pan of hot water, and stir the contents well.

For Your Notebook

SHOULD your cleaning gloves be too large and so continually slipping off, put a rubber band round the wrist of each one, as they will hold them quite securely.

When buying cotton wool, open out and place in a warm airing cupboard for several hours. Its size will by then have increased, and be easier to cut up in squares and place in a glass jar or box until required.

To clean the windows if the chamois leather is missing, soak a newspaper in cold water to which a few drops of vinegar have been added, squeeze almost dry, and it is ready for use. It is equally suitable for mirrors or windcreens, while a final rub with a duster improves the polish.

If leather upholstery becomes sticky through the use of polish or some other treatment, wash it with thick soap or pure soap. Wipe afterwards with a damp cloth that has been wrung out of clean water and rub dry. Finally, rub the leather with the beaten white of an egg to produce a glossy finish.

G. G. T.

until every grain of the salts has dissolved. With a camel-hair brush apply the mixture quickly to the glass. The result is a surface like crystal-clear ground glass, which admits light, yet makes it impossible for passers-by to see into the room.



This lovely dinner gown of lavender chiffon, with purple and silver paillettes adorning skirt and bolero, is worn by Virginia Bruce. Bolero and bodice are outlined in silver beading, and the full skirt trails gracefully in a two-foot train.

As soon as I saw them, I said:

"Girls will like the new toppers and wear them, too." "High lines characterise the latest autumn millinery. Crowns are on the up and up, but ingeniously graded, and narrowed in some cases with tucked godlets to give the effect of height.

Stove pipe, chimney pot and cushion shapes are new! Fashion has exalted herself, inventing ways and means of putting a feather in your hat. High flaunting quills jut out high above crown or brim, they are thrust through the felt at all angles, and even used instead of a band or bow.

Milliners have gone to the farmyard for their trimmings. I have seen red and white rooster feathers and tufts of goose feathers on the newest hats, also a pheasant-whip thrust through a velvet bow on a multi-shaped model, to curl high above the head like a note of interrogation.

Shaded feather butterflies are daintily to look at, but not very practical for winter weather, while ostrich plumes sweeping down the back of a hat and encircling the

shoulders as a wrap are among the models I have seen.

Variety is the theme of the dashing autumn millinery. Velvet, antelope, fur felt, velour, felts with a shaggy surface as a change from hatters' plush, are just a few instances—and there is a shape to suit every type of face.

Now is the time to pick out your season's hat. Let us first take those who wear tailored clothes year in, year out.

Whatever your age, you'll find that the latest postillion shapes will suit you. That dip over the face is becoming, particularly if you have a high forehead.

☆☆☆

Then the upward curl at the side/s to reveal a pretty hair line, to roll gracefully down at the back. See that your trimmings are not too high in a hat of this type.

Always study the proportion of brim and crown when choosing a hat, and then look at them in relation to the size of your face. On the face styles and a brim that juts up sharply at one side suit the girl with a low forehead and a round face, but here a little skull cap at back keeps the hat firmly on the head.

This bonnet effect is going to put a lot of comfort into our hats this year.

Ribbons stream down the back of tilted models. The sophisticated type will wear this style, with its narrow stove-pipe crown. Again, saucer shapes with a bonnet back are becoming.

For the older woman, small bird mounts are nipped on to the side of brimmed felts or arranged with outstretched wings sweeping above the crown.

Young and old alike are going to follow this feather craze. For the schoolgirl, untrimmed felts have a large picot edge bow under the brim at back, giving the effect of a hair ribbon, and most attractive they are in lobster pink and baby blue.

Song Still Sells After 43 Years

A West End firm which collects royalties for composers is anxious to find the executors of Walter Batillon Haynes, joint author of the Victorian ballad "Ould Plaid Shawl."

Haynes, once famous organist of the Chapel Royal, Savoy, died in 1900, four years after the song was published. But the song is still selling and about £50 for royalties awaits claimants.

End Rheumatism While You Sleep

If you suffer sharp, stabbing pains if joints are swollen, if your blood is poisoned through faulty kidney action, other symptoms of kidney disease are: Burning, itching passages, "Getting up" at night, backache, Lumbago, Leg Pains, Nerve-aches, Dizziness, Headaches, Cold, Puffy Ankles, Chills under eyes, Lack of Energy, Appetite, etc. Ordinary medicines can't help much—you must kill the germs causing the trouble. Cystex does this by removing the cause. Get Cystex from any Chemist or Guarantee to put you right or money back. Act Now! In 24 hours you will feel better and be completely well.

The Guarantee protects you.

Mint On The Menu

THE flavour of fresh mint adds both to the attractiveness and digestibility of various dishes. When making mint sauce do not be sparing with the sugar, as it helps to neutralise the acidity of the vinegar. Sprinkle some of the sugar on the leaves before chopping them. They will chop up finer and more quickly, and your fingers will get so stained. Just cover the mint with boiling water before adding the vinegar and it will retain a beautiful green colour.

Here is a good recipe for the sauce. Chop up finely the leaves from six to eight sprigs of mint and put them into the tureen with eight lumps of sugar. Pour over them two tablespoonfuls of boiling water, stir well, and leave for a few minutes. Then add about half a pint of vinegar.

Sauce for Storing

If you want mint sauce for winter use, prepare it this way:—For each ½ lb. of chopped mint boil a pint of vinegar. Place the leaves in a tureen or basin and pour over the boiling vinegar. Add a pint of boiling water and stir with a wooden spoon. When cold, bottle and cork tightly. When you want this, to two tablespoonfuls add two tablespoonfuls of boiling water and fresh vinegar.

Mint vinegar is a real old-fashioned country preparation, and it is excellent for flavouring salad dressings. It is quite simple to make. Take the young bruised leaves and put them into a wide-mouthed bottle. Cover with cold vinegar, and close down. Leave for from a fortnight to three weeks, strain off into a bottle, and cork down until wanted.

As a Jelly with Lamb

Mint jelly is a delightful addition with mutton or lamb. To prepare it just wipe a pound of sharp cooking apples and slice them up. Cook till soft in ½ pint of vinegar and strain. For each pint of juice you allow 1 lb. of sugar, and then boil fast together, until it will set when tested. Add a tablespoonful of finely chopped mint for each pint of juice. Put into small pots, tie down, and keep in a cool, dry place.

For mint chutney you require a handful of fresh mint tops or young leaves. Pound in a mortar or a basin together with a handful of sugar, and continue till the mixture is juicy. Then add four tablespoonfuls—or more if necessary—of vinegar, stir well, and serve.

If you have a supply of mint and want to keep it fresh for a day or two, wash it in water to which a little bicarbonate of soda has been added before standing it in water. Fruit salad can be improved by the addition of a sprig or two of fresh mint.

If you are going for a picnic, try mint blended with cream cheese and a little fresh cream, seasoned with salt and pepper. It makes delicious sandwiches.

Mint can be kept for winter use by putting it in bags, tying the mouths, and then hanging up in a dry place. The sprigs can also be dried in the sun, and stored away in tins kept closely shut down. Yet a third method is to remove the young leaves from the stems. Wash well, and then pour boiling water over. Next dry thoroughly in the oven. Rub over leaves to powder, and store in airtight tins.

E. R. Y.



Black rayon crepe with slashed tiers, V neck and short sleeves. A dress for now, and later with fur.



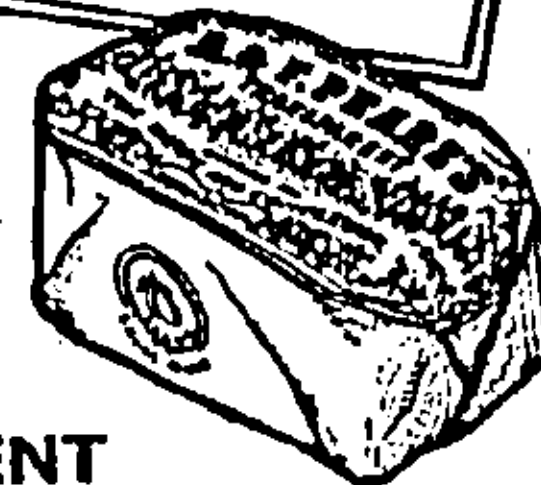
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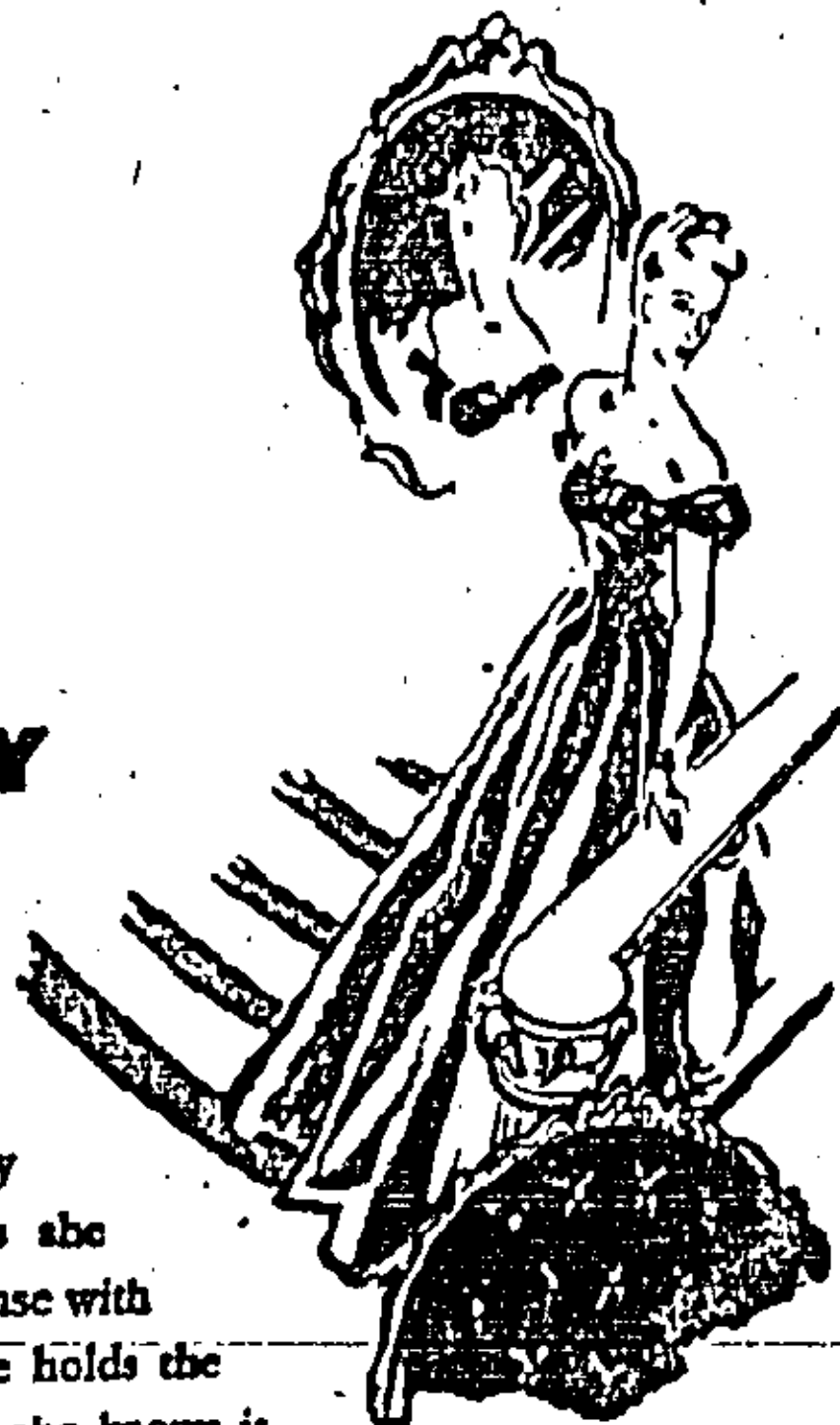
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NANCY

By Ernie Bushmiller



United States Of Europe

Possibility At The End Of Hostilities

LONDON, Sept. 27 (Reuter).—In a question in the House of Commons, Government was asked if it would consider as part of possible peace terms the establishment of a United States of Europe.

Mr. R. A. Butler, Under-Secretary for Foreign Affairs, replied the Government's aim was the establishment of a stable international situation, prevention of war and a peaceful settlement of disputes.

He added that it was not desirable at this stage to commit themselves.

Mr. Butler, asked if the establishment of a United States of Europe was ruled out, replied that the possibility was not excluded.

H.K. FISHERMEN SUFFER BADLY

Property losses to the amount of over \$1,000,000 have been sustained by the Chinese fishermen in Hongkong from August 1 up to date, as a result of Japanese naval atrocities, according to information from the Hongkong Fishermen's Guild.

Altogether 50 fishing junks were either pillaged or burned by the Japanese during the period. Fishermen killed totalled 56.

High Blood Pressure Kills Men & Women

Twice as many women as men suffer from high blood pressure, which is a mysterious disease that starts about the time of change of life and is the real cause of much heart trouble and later on of heart disease. Common symptoms of high blood pressure are: Nervousness, headaches at top and back of head and above eyes, pressure in head, dizziness, short breath, pain in heart, palpitation, poor sleep, loss of appetite, and nervous, excited, fear and worry. If you suffer any of these symptoms, don't delay treatment. A single day, because you may be in danger. If you have a new medical discovery, reduce high blood pressure with the best dose, take a heavy load off the heart, and make you feel better. You can get it today. Get it from your chemist today. It is guaranteed to make you feel fit and strong at once.

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SEE a whole Sioux nation burn and pillage a defenseless trail
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SEE the mad dash of a rescue train across the burning forest
SEE the terrific explosion as a giant water tower crumbles on the speeding train
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JOHN LAMONT—ROBERT PRESTON
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WILLIAM H. HAYES—RICH D. WILHELM

SATURDAY
Queen's & Alhambra

A Look Through The "Telegraph"

50 YEARS AGO

Sept. 28, 1889.
For the defence of Antwerp the Belgian Government is about to expend an additional sum of 20,000,000 francs. The best defence of Antwerp is in the mutual jealousies of the great Powers of Europe.

25 YEARS AGO

Sept. 23, 1914.
A message from Paris states that a German aviator dropped two bombs, which hit a hotel. A soldier was killed and a girl wounded.

An official statement issued in Tokyo states that the land attack on the outskirts of Tientsin started yesterday, and continues. The Japanese casualties so far total 312.

A Zeppelin airship arrived at Warsaw at five on Saturday morning and threw two bombs, doing little damage. Subsequently the Zeppelin was shot down near the fortress of Modlin and the crew captured.

It will be remembered that, within a fortnight of Great Britain's entry into the war, news came over the wires of a great scheme which had been initiated by the Board of Trade with a view to capturing the enemy's foreign and colonial markets for British trade and commerce. The opportunity presented was a great one and it is most gratifying to see from latest Home advices that British enterprise is taking advantage of it to the full. We in this part of the globe know how assiduously and persistently Germany has pushed her export trade by every means in her power, the big, indeed, captured trade which, with a little more pushfulness on our part, might well have remained in British hands. And now, happily, the opportunity has come to us of getting our share back and, further, of attacking from our erstwhile competitor even that which may have been regarded as more legitimately her own. The openings presented almost beggar the imagination. It is surely the time for us to place our commercial superiority on an indisputably permanent basis.

10 YEARS AGO

Sept. 28, 1929.
At the annual general meeting of the St. Andrew's Society at the City Hall last evening, office bearers for the year 1929-1930 were unanimously elected as follows:

President—Mr. A. H. Ferguson. Proposed by Mr. R. M. Dyer and seconded by Mr. J. B. Sutherland.
Vice-President—Mr. K. E. Greig. Proposed by Dr. R. Black and seconded by Mr. H. Wylie.
Secretaries—Messrs. E. M. Bryden and J. S. Drummond. Proposed by Mr. A. H. Ferguson and seconded by Mr. A. Stevenson.

Treasurer—Mr. T. J. H. Fox. Proposed by Mr. K. E. Greig and seconded by Mr. A. Ritchie.
General Committee: Messrs. A. Cameron, D. Gow, K. S. Morrison, Dr. Macgregor, Messrs. A. Ritchie, A. Stevenson, R. D. and D. Wylie.

5 YEARS AGO

Sept. 28, 1934.
Yesterday, in Legislative Council, the Hon. Mr. Mackie both urged upon the Government the desirability of making Hongkong a winter resort. The Hon. Mr. S. J. Thomas, Colonial Secretary, in reply, reminded the Council that the advertisement of private enterprise in the past, and pointed out that since Government carried no redundant staff, it would be necessary to increase expenditure considerably if such work were undertaken. The Colonial Secretary intimated, however, that Government would be willing to entertain any publicity scheme put forward by the Chambers of Commerce or other responsible bodies. It is certainly true that Hongkong lacks artificial amusements. In this connection Mr. Mackie says: "I have heard the accusation that Hongkong has a grandly over-regulated which damp the exuberance of spirit concomitant with holiday-making. Unless a rather heavy fee is paid no ordinary and innocuous place of amusement can keep open its doors after midnight, and this alone may be held to cramp private enterprise in providing additional innocuous amusements for the delectation of visitors." It is true that the majority of tourists find little amusement here outside the cinema and the hotel lounges. There are great potentialities in Hongkong as a winter resort and tourist centre. The Hon. Mr. Kotewall and the Hon. Mr. Mackie appreciate the fact that "it pays to advertise."

FLOOD WATERS IN TIENSIN

SPECIAL TO THE "TELEGRAPH"
TIENSIN, Sept. 27 (UP).—The Japanese promise to rid the Japanese Concession of the flood waters before the end of the month.
Pumping operations were carried out unceasingly, although they were badly handicapped at the beginning owing to a shortage of pumps.
The French Concession, and Chinese City are practically without water and are stopping pumping during the week-end.
The British Concession, where the level is falling rapidly, is still badly flooded between Taku Road and Wei-tze Creek.



A block of modern flats in Warsaw recently built by the municipality for army officers. These flats were among many of the Warsaw buildings bombed by the Germans.

Dobbin Comes To The Fore And The War Petrol Rationing In Britain

LONDON, Sept. 27 (Reuter).—The horse is coming back and again can be seen in the streets of Central London.

Since the war began and especially since the rationing of petrol last week, the roar of London's traffic has become fainter. Now the Minister of Transport says there is room for horses again in London.
Horses, bicycles and traps are being bought in large numbers by people who are just beginning to realise that they can get about without a motor car.

NEUTRALS AND BOMBINGS

LONDON, Sept. 27 (Reuter).—The Government was asked in the House of Commons to-day if they would consider the formation of a neutral commission to investigate alleged bombing of civilians.
Mr. R. A. Butler said that the Government had every sympathy for the proposal, but the difficulties in a commission proceeding to the scene of the bombings were almost insuperable.

Mr. Butler was asked about the bombing of a Polish town on September 12. He replied that the British Ambassador to Poland was an eyewitness of the raid and had reported that only the headquarters of the Polish Foreign Office and the diplomatic corps were in the town when it was raided. There were no military objectives there.

WATERS OF AMERICAS

May Claim Neutrality In Half Of Oceans

PANAMA CITY, Sept. 27. (Reuter).—The Pan-American Conference is discussing the question of how far the territorial waters of the American continents shall extend.

The Cuban delegate proposed that they should be extended in the Atlantic to half way between America and Africa, and in the Pacific to half way between America and Asia.

All belligerent acts in these areas should be declared unlawful and a threat to American security. This was the only formal suggestion that has yet been put forward, but another possibility being canvassed is the extension of American waters from 50 to 1,000 miles. This would include several British and French islands.

Neutral Patrols?
Mr. Sumner Welles, the U. S. Under-Secretary of State, told the Conference that the American nations should patrol the areas decided and that belligerent submarines in these areas or calling at American ports should be interned.

STOCK MARKET REPORT

Hongkong Stock Exchange official summary issued yesterday says: The hunt for cheap scrip continues, but as the prices offered are poor, response is not on any sizeable scale. The hunt being spread over a large area may lead to better conditions in the market.

BUYERS
H.K. Wharves \$80
H.K. Docks \$17
Rube \$3
H.K. Lands \$30
H.K. Tramways \$15 1/4
SALES
Union Ins. \$305
Watsons \$7.30

MANILA GOLD SHARES
Atok Ps. 14 s
Antarook Ps. 15 s
Baguio Gold Ps. 12 b
Batong Buhay Ps. 0000 s
Benquet Consolidated Ps. 0.20 s
Big Wedge Ps. 16 1/2 s
Coco Grove Ps. 11 1/2 s
Consolidated Mines Ps. 0035 b
Demonstration Ps. 0034 b
I.C.L. Ps. 35 b
Ipo Gold Ps. 08 1/2 b
Itogon Mining Ps. 10 s
Masbate Consolidated Ps. 0034 s
Mindanao Motherlode Ps. 0534 s
Mine Operation Ps. 0034 s
North Carrizosa Ps. 14 b
Paracale Gummaus Ps. 12 b
San Mauricio Ps. 00 s
Suyoc Consolidated Ps. 10 b
United Paracale Ps. 24 s



EXTRA SPECIAL SHOW TO-MORROW and SATURDAY

MARVELOUS PRODUCTION OF EXCITING THRILL PICTURES!

FLOYD GIBBONS THE INTERNATIONAL HEADLINE HUNTER

THE SCREEN'S LATEST AND GREATEST THRILL PRODUCTION!

FLOYD GIBBONS, lightning-speed news commentator, war correspondent, author and thrill dispenser in general, has experienced more "hair-breadth escapes" than any fifty men. He has literally courted danger and his only fear is fear.

FLOYD GIBBONS has now dramatised his famous thrilling adventure stories and transferred them to the screen. Warner Bros. produced them on a lavish scale, the filming of these stories is something altogether new. In each case during the presentation of the film Mr. Gibbons introduces the persons to whom the thrilling experience actually happened.

Run down?
Easily
fatigued?
Has the doctor
ordered rest?



Your body needs these protective essentials to keep it youthfully vigorous—Vitamins A, B & C and calcium.

Latest nutritional research has discovered that TWO GLASSES OF FRESH ORANGE JUICE DAILY CONTRIBUTE TO MAXIMUM WELL BEING & DENTAL HEALTH.

Sunkist Oranges are high in these protective essentials. Look for the trade mark when you buy oranges.

Be sure that you got SUNKIST—for better flavour and juico.

FOR PERFECTION AND COOLNESS

HAVE YOUR

Summer Wear

DRY CLEANED

THIS BETTER

WAY!

ZORIC

Odourless

Air Condition

Dry Cleaning



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Hong Kong Depot, Tel. 21270. Gloucester Bldg., 2nd Flr., Tel. 28938.
Peak Depot, Tel. 29352. Kowloon Depot, Tel. 58545.

FIRESTONE CHAMPION TIRE

Structural feature incorporated in the new Champion tire offered by Firestone Tire and Rubber Export Co., Akron, Ohio, is a new type of cord called Safety Lock.

This cord is constructed of cotton fibre, tightly twisted into strands of high tensile strength.

Treated by the Firestone gum-dipping process, the cord is still further strengthened and each fibre is locked in every cord, each cord is locked in every ply and the plies are locked together to form the body of the tire. The result is a strong tire body.

Because of the stronger cord body, tread thickness has been increased without danger of separation. This feature, aided by the use of a new and tougher tread stock, is said to provide greater non-skid mileage. This is the Champion model, with gear-tooth design tread. The tread of the Champion tire is distinguished by a gear-tooth design with six circumferential tread bars. Each tread bar has 576 sharp-edged, angled shoulders. Every revolution of the new tread brings a total of 3456 of these sharp-angled non-skid elements into play on each tire. Thus, the tread on a set of four of these tires brings a total of 13,824 non-skid angled edges in contact with the highway during one complete revolution of the wheels.

Complete line of Firestone Champion Tyres are carried in stock by

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A Job To Do... But Sometimes
A Woman Has To Do It!

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"Horse on the Merry-Go-Round"
3 STOOGES COMEDY
"Healthy, Wealthy and Dumb"

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20th Century Fox Picture
with TYRONE POWER - LORETTA YOUNG

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TO-DAY & TO-MORROW

DEANNA DURBIN

Nan GREY • Helen PARRISH
3 SMART GIRLS GROW UP

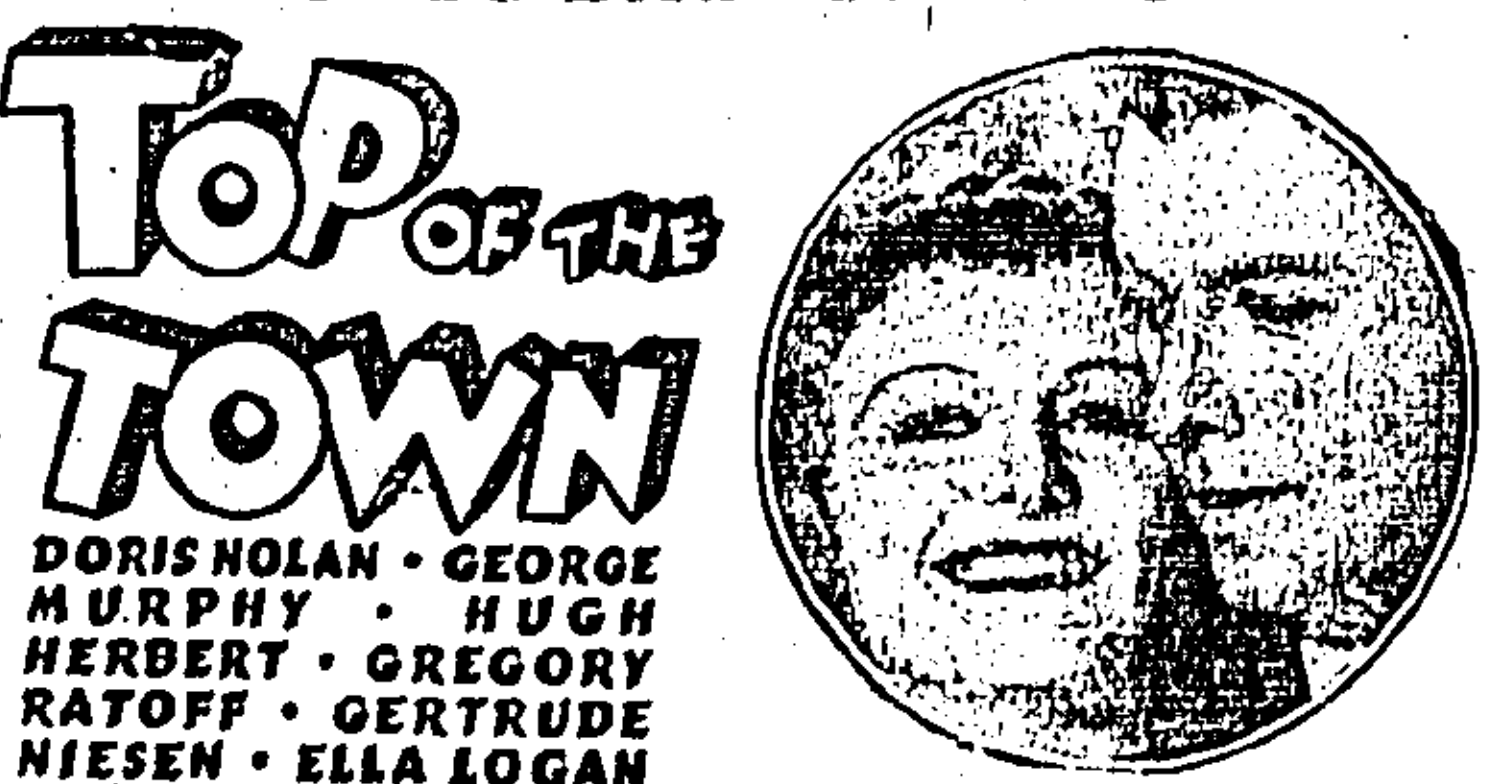
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Wallace Beery - Robert Taylor
MGM Picture in "STAND UP AND FIGHT"

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MATINEES: 2.30, 5.15, 7.20, 9.30 P.M.

RETURN SHOWING FOR TO-DAY ONLY!
Acclaimed the mightiest spectacle that ever
flamed across the screen!



TO-MORROW AND SATURDAY
WARNER BAXTER
THE RETURN OF THE
CISCO KID
A 20th Century-Fox Picture

NEWS FLASHES

FOOTBALL POOLS ARE VETOED

LONDON, Sept. 27 (Reuter).—Football pools the most popular of Britain's winter pastimes, have been officially vetoed.

This is in consequence of the strain already thrown on the Post Office by the war.

R.A.F. PUBLICITY

LONDON, Sept. 27 (Reuter).—Sir Kingsley Wood, Secretary for the Air, stated in the House of Commons today that he would follow Mr. Winston Churchill's example, and would make a full statement on the part the Royal Air Force takes in the war on a suitable occasion.

BURMA DEFENCE

RANGOON, Sept. 27 (Reuter).—A Defence Council has been formed in Burma to deal with problems other than those in the sphere of the military command. The Chairman of the Council will be the Governor, Sir Archibald Cochrane.

NEW CROIX DE GUERRE

PARIS, Sept. 27 (Reuter).—The French Army is now awarding the new Croix de Guerre in a manner different from that of the last war. The new medal will be awarded for gallantry not only on the field of battle but also for valorous feats outside the battle zone.

HOMES AS HOSPITAL

LONDON, Sept. 27 (Reuter).—Viscount Bledisloe, former Governor-General of New Zealand, has offered his Gloucester seat at Lydney Park as a hospital or a convalescent home for the New Zealand forces.

DANISH TRADE

COPENHAGEN, Sept. 27 (Reuter).—A Danish Trade Delegation left Oslo for London to-day to discuss the import and export questions. The delegation flew to Amsterdam and is continuing from there by sea.

KING VISITS TROOPS

LONDON, Sept. 27 (Reuter).—The King and Queen to-day visited troops "somewhere in England."

BRITAIN AND EIRE

LONDON, Sept. 27 (Reuter).—Mr. Anthony Eden announced to-day in the House of Commons that Sir John Maffey had been appointed United Kingdom representative in Eire, in order to maintain closer touch with the British and Eire governments in view of the war situation.

RED H.Q. RAIDED

PARIS, Sept. 27 (UP).—Executing the decree dissolving the Communist Party, the Surete raided the headquarters of the Communist Party and affiliated organizations in Paris, placed a padlock on headquarters and seized large quantities of documents which they turned over to the authorities.

GOODWILL PLANE

BUENOS AIRES, Sept. 27 (UP).—The Japanese goodwill plane Nippon arrived at 1.0 p.m., after hopping off from Santiago, Chile, at 9.12 a.m.

DALADIER RETURNS

PARIS, Sept. 27 (UP).—M. Daladier, accompanied by the Ministers of Foreign Affairs and Defence, has returned to the War Office from a trip to London, where he conferred with various officials.

NAZI FUNK HOLES

Amazing Detailed Evidence Shown

PARIS, Sept. 27 (Reuter).—"Here is the answer to Dr. Goebbels' challenge," declares the American journalist, Mr. H. R. Knickerbocker in a signed article in the "Paris-Solr," giving, in amazingly meticulous detail, an account of Nazi leaders' alleged foreign investments which total \$34,000,000.

The article closely identifies numerous agents together with the amounts they are supposed to have negotiated, and the destinations and denominations of the deposits.

Mr. Knickerbocker says that Dr. Goebbels employed three agents.

Wilhelm Achterberg, representative of the Nazi publishing house of Franz Eher Verlag, deposited \$1,850,000 in the name of a German importing firm in Buenos Aires.

Thomas Bucher, a member of Goebbels' propaganda staff, with the help of the Kreisbank Company, deposited bearer shares worth 2,400,000 belgas in Luxembourg.

Paul von Boddichheim, a banking agent, deposited at the Osaka branch of the Nippon Ginko, Japanese currency and bills payable at sight valued at \$2,465,000.

Insurance Details

Mr. Knickerbocker gives details of insurances on Dr. Goebbels and his wife's lives contracted through the Doctumunder Union Brauerer firm in Berlin, dollars, belgas, Swiss francs and marks.

Mr. Knickerbocker similarly outlines other leaders' alleged investments, beginning with Herr von Ribbentrop, whose three agents, he says, include Herr Eylau, nephew of Herr Heinkel, the latter being a champagne manufacturer, and Dr. Goebbels' father-in-law.

These three, he asserts, deposited sums equivalent to \$165,000 in Dutch and Swiss banks.

Unlike the other leaders, Herr von Ribbentrop deposited none of his money in French francs, and Mr. Knickerbocker remarks that Herr von Ribbentrop always held to the Hitler ideal that a separate peace with France was possible.

Herr Ribbentrop's insurance policies, which are set forth in detail, were taken by friends in the wine trade, the writer asserts.

Goering's Investments

Field-Marshal Goering's alleged clandestine investments through four named agents are then set forth, including a list of specified United States securities.

Mr. Knickerbocker asserts that Herr Ley was unlucky, for one of his agents named Ribbier was implicated in a fraud scandal and implicated in a fraud scandal and implicated in a fraud scandal.

Mr. Knickerbocker acknowledges his indebtedness for the information to a group of experts whose privileged position in the banking and financial world enabled them, he states, to obtain precise details which are not accessible to others.

"They were not intended to be used during peace time, but now they are published at the request of Dr. Goebbels, who announced that I had fled and was unable to reply."

"It is possible Goebbels' agents saw me board the ship at Southampton last Saturday, but did not see me land."

LATE NEWS

INEVITABLE IS ACCEPTED

LONDON, Sept. 27 (Reuter).—After 22 days of heroic defence against hopeless odds, Warsaw has surrendered to the German army.

News of the surrender was conveyed in a radio broadcast from the battered Polish capital, received at 6 p.m. to-day.

The message said that the defenders had accepted the inevitable, as defence could no longer be maintained with the whole city in ruins.

An armistice was now in progress and the final terms of the surrender were being discussed between representatives of the Polish and German armies.

The terms will be honourable, says Warsaw.

A message announcing the surrender said that water and electricity supplies had been destroyed and all public utilities had been put out of action.

The defenders were running short of ammunition and early help could be expected from the allies.

The military authorities, therefore, had come to the conclusion that further resistance was useless, as it would bring with it pestilence and disease.

History would record that no city had ever been more gallantly defended or more ruthlessly attacked.

SUGAR PRICE CONTROLLED

The first specific order against increased retail prices of commodities in Hongkong was made by the Controller of Food, Mr. H. R. Butters, this morning, when the maximum price at which sugar and its by-products can be sold in the Colony was announced in a "Gazette Extraordinary."

The controlled prices announced in the "Gazette" are somewhat in excess of the prices ruling before the outbreak of war.

Fine granulated sugar may not be sold at more than 15 cents per lb. Controlled prices are also announced for 11b. rolls, 5lb. and 10lb. bags, 10lb. and 40lb. tins, 50lb. and 100lb. gunny sacks and other packings. Cube sugar may not be sold at over 16 cents per lb. The controlled price for icing sugar is 18 cents per lb. and for castor sugar 20 cents.

Brown sugar may be retailed at 14 cents per lb.

Maximum prices are also announced for Tinkoo Golden Syrup, Black Treacle, Table Candy, Coffee Candy and Coffee Crystals.

Warsaw's Message To Verdun

LONDON, Sept. 28, (Reuter).—One of the last messages sent out by the defenders of Warsaw was addressed to the town of Verdun, where the French put up such a heroic resistance to the Germans in the Great War.

The message thanked the Mayor of Verdun for his message of encouragement and admiration, which he had sent to the Mayor of Warsaw.

Expert Revelations

Mr. Knickerbocker acknowledges his indebtedness for the information to a group of experts whose privileged position in the banking and financial world enabled them, he states, to obtain precise details which are not accessible to others.

"They were not intended to be used during peace time, but now they are published at the request of Dr. Goebbels, who announced that I had fled and was unable to reply."

"It is possible Goebbels' agents saw me board the ship at Southampton last Saturday, but did not see me land."

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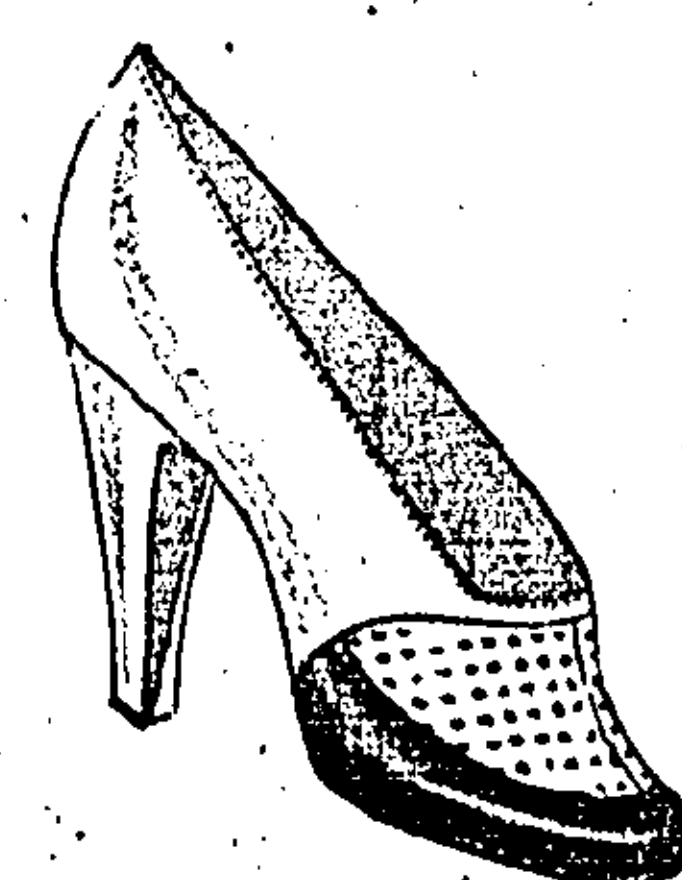
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TO-DAY & TO-MORROW



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Motion Picture Corp.

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"THE DEVIL'S PARADISE"

with An Entire
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ORIENTAL

THEATRE
LAST 4 TIMES TO-DAY!
A MOST THRILLING STORY OF UNFORTUNATE GIRLS!

A picture of the lives of girls condemned to what is little better than prison life, its exciting and filled with action.

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TWO DAYS ONLY! TO-MORROW AND SATURDAY
SOMETHING NEW AND NOVEL IN MOTION PICTURES!

FLOYD GIBBONS
FAMOUS "HEADLINE HUNTER"

SENSATIONAL
"TRUE ADVENTURES"

Most thrilling entertainment the screen ever produced.

MATINEES: 20c-30c-50c-70c-90c

MAJESTIC THEATRE
NATHAN RD. KOWLOON TEL. 57222

MATINEES: 20c-30c-50c-70c-90c

FINAL SHOWINGS TO-DAY
AN AMAZING AND FASCINATING NEW SLEUTH!

HE COLLECTS RARE STAMPS AND CLEVER
MURDERERS WITH EQUAL CALM!

INSPECTOR HORNLEIGH

A new sleuth—amazing, fascinating, different!

GORDON HARKER and ALASTAIR SIM
HUGH WILLIAMS • STEVE GERAY
WALLY PATCH • MIKI HOOD
EDWARD UNDERDOWN

Directed by Eugene Forster
Produced by Twentieth Century Productions Ltd.
Robert T. Kase, Managing Director
Released by 20th Century-Fox

TO-MORROW, ONE DAY ONLY!

Return of one of the greatest "Old Favourites!"
WILLIAM POWELL "THE THIN MAN"
MYRNA LOY in
A Metro-Goldwyn-Mayer Comedy-Thriller!

Disappearance of Bremen

Liner Now Reported At Murmansk

LONDON, Sept. 27 (Reuter).—With reference to Mr. Winston Churchill's statement that the German liner Bremen was in a Russian port, it is rumoured that the giant trans-Atlantic vessel is at Murmansk.

Mr. Churchill did not answer.

Just before the outbreak of war the Bremen left New York for an unknown destination, and rumours have been prevalent since about her fate.

Various theories have been advanced regarding the method of her escape, one being that she changed her flag and so rendered herself immune.

In the House of Commons to-day Mr. Winston Churchill was asked if it were possible for an enemy vessel to change her nationality on the high seas.

Mr. Churchill did not answer.

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the Dutch East Indies, 112, Cross Street, Hongkong.
Low Water—1916.

The Hongkong Telegraph

FOUNDED 1861
No. 15944

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FRENCH BAGS
IN SOFT KID
Smart shapes and beautiful new shades
from \$19.50 ea.
Colours: Wine, Brick, Navy, Black, Brown, Greengage

WHITEAWAY'S

Income Tax 7s. 6d. in £; 60 Per Cent. Excess Profit Tax; Capital Levy May Be Introduced: War To Be Financed By Direct Taxation of People

COLOSSAL TAXATION ANNOUNCED IN BRITAIN'S FIRST WAR BUDGET

REPRESENTING THE MOST STAGGERING BURDEN OF TAXATION EVER UNDERTAKEN BY A FREE NATION IN HISTORY, SIR JOHN SIMON'S WAR EMERGENCY BUDGET, INTRODUCED IN THE HOUSE OF COMMONS LAST NIGHT, PROPOSES STUPENDOUS INCREASES.

INCOME TAX IS TO BE INCREASED FROM 5S. 6D. TO 7S. 6D. IN THE £ STERLING.

AN ADDITIONAL SURTAX, RANGING FROM 1S. 3D. ON INCOMES OF £2,000 TO 9S. 6D. ON INCOMES OF £30,000 AND OVER, WILL BE IMPOSED;

Duty on estates of between £10,000 and £50,000 will be increased by ten per cent., and on estates of over £50,000 by 25 per cent.

BEERS AND SPIRITS

Excise duty on Beer will be increased by one penny. Duty on spirits will total 13s. 9d. a bottle.

Duty on sugar will be increased by one penny per lb.
An increase of 2s. per lb. will be imposed on tobacco.
In addition, trade and industry will have to bear an all-round excess profit tax of 60 per cent.

LEVY ON CAPITAL?

During his outline, Sir John Simon warned that the Government might be forced to apply a levy on capital.

Even with the next taxation, revenue will fall far short of war time expenditure, and several forms of loans are to be made available to the public.

Estimated expenditure up to March this year will be £2,000,000,000, which is only £696,221,000 short of the record Great War expenditure in 1917-18, despite the fact that the Empire will only have been at war for seven months.

RICH AND POOR TO PAY

LONDON, Sept. 27 (Reuter).—Sir John Simon's drastic Budget, affecting rich and poor alike, has caused an enormous impression throughout Britain, regarded as the best possible proof of the country's determination to carry out a supreme war effort.

Income-tax of 7s. 6d. in the £ is the highest since the tax was first introduced in 1798. It compares with 1s. 3d. at the start of the last war and the previous highest figure of six shillings.

The budget as a whole, writes "Reuters" city editor, represents undoubtedly the heaviest burden ever undertaken by a free nation in history.

The budget proposes to raise about 51 per cent. of the expenditure by taxation, which is almost double the Great War's proportion, which for instance from 1915 to 1916 was 22 per cent.

The crux of the budget was Sir John Simon's statement that financing other than by taxation or loans from genuine savings must be inflation which Britain intends to avoid by unprecedented financial efforts.

Though the Chancellor has obviously

HIGHEST IN HISTORY

The new income tax is the highest in the nation's history.

The Budget proposes to raise about 51 per cent. of expenditure by taxation, which is almost double the proportion raised during the Great War.

The crux of the Budget was Sir John Simon's statement that financing other than by taxation or loans from genuine savings must be inflation. Britain, he declared, intends to avoid this by unprecedented financial efforts.

OPPOSITION SUPPORT

The Opposition, whilst reserving the right to criticise certain points, will support the Budget.

"Severe as the Budget is, it does not bring us even within the remote range of the limits of our financial strength, or the sacrifices which the people will accept as they become necessary as a means to victory," declared Sir Archibald Sinclair, leader of the Liberal Party.

War Emergency Budget: Simon's Speech in Full

LONDON, Sept. 27 (Reuter).—Substantial all-round increases in direct and indirect taxation, including raising of the income-tax level to 7s. 6d. in the £, and large increases in so-called luxury articles, were announced by Sir John Simon, Chancellor of the Exchequer when he introduced the war emergency budget in the House of Commons this afternoon.

At the outset, Sir John Simon said that when he introduced the budget at the end of April he estimated the expenditure for the year would amount to £1,322,000,000.

The defence expenditure included in that vast total was at that time stated as £630,000,000.

The budget proposals were calculated to raise from revenue £942,000,000, and consequently at that time £380,000,000 was left to be borrowed within the financial year.

Before the Finance Act was passed, the figures for this year's expenditure

£938,000,000 MUST STILL COME FROM BORROWING

LONDON, Sept. 27 (Reuter).—The main figures of the budget make the revised estimated expenditure for the current year up to £1,933,000,000.

The revised estimate of revenue, including £107,000,000 from new taxation amounts to £995,000,000, and this leaves £938,000,000 to be met by borrowing, of which £500,000,000 is already authorised to be met from defence loans money.

Effective resolutions giving legislative force to the proposals were agreed unanimously within 100 minutes of the budget speech, and the general debate then opened.

Exaggerated Reports from Berlin

NAZI CLAIMS IN N. SEA ACTION

SPECIAL TO THE "TELEGRAPH"

NEW YORK, Sept. 28 (UP).—The story of the North Sea engagement between British warships and German aircraft, at first denied in London, is slowly being patched together.

SOVIET FREIGHTER TORPEDOED

Serious Affair In Baltic Sea

SPECIAL TO THE "TELEGRAPH"

MOSCOW, Sept. 27 (UP).—The Moscow radio station announces that the Soviet freighter Metallish has been sunk near Narva Bay, off the Estonian coast, by an unidentified submarine.

The report said 19 of the freighter's crew were saved, and that five are missing.

"Serious Development"

This event coincided with the arrival of the Estonian Mission to Moscow to explain the activity of alleged Polish submarines in Soviet and Estonian waters.

Diplomatic circles characterise the incident as a serious development.

Rescue By Patrol Ships

MOSCOW, Sept. 27 (Reuter).—The Soviet steamer Metallish was sunk by a submarine this evening. Nineteen of the crew of 24 were rescued by Soviet patrol ships.

The Metallish was attacked in Narva Bay off Estonia according to "Havas."

Danish Ship Searched

COPENHAGEN, Sept. 27 (Reuter).—A Danish coastal steamer bound for Copenhagen was stopped and searched by a German torpedo-boat just outside Danish waters to-day.

After a search lasting one and a half hours the vessel was released.

Submarine Off U.S. Coast

SPECIAL TO THE "TELEGRAPH"

NEW YORK, Sept. 27 (UP).—The Radio Marine Corporation reports that the American tank steamer Japan Arrow, saying that she had sighted an unidentified submarine at 2 p.m. E.S.T., off Ocean City, Maryland.

Upon sighting the tanker, the submarine submerged and headed off to sea.

Delegation For England

THE HAGUE, Sept. 27 (Reuter).—A Netherlands delegation has been appointed to go to England and discuss questions of neutral shipping and trade.

The delegation is headed by the

Exaggerated

The German claims appear to be definitely exaggerated. The action is now confirmed by the British Admiralty, which reiterates, however, that no direct hits were scored by the German raiders.

One German flying-boat was damaged by anti-aircraft fire and a second was brought down. The second machine fell into the sea and its crew of four were rescued by a British destroyer.

The British flotilla consisted of a squadron of battleships, an aircraft carrier, attendant cruisers and destroyers.

There was no loss of life on any British ship.

A second German official communiqué described the North Sea engagement, which was audible from the Norwegian coast, as the first time in history that a clash between aircraft and warships of Germany and Britain has occurred on the High Seas.

The second Nazi communiqué withdraws the earlier allegation that the aircraft carrier had been sunk.

"The vessel, however, was damaged in vital spots and was reduced to a wreck," the communiqué claims.

Which is spiced in heavy type in Berlin newspapers.

The newspapers draw attention to the fact that Britain started the war with seven aircraft carriers in commission.

"The loss of two must be considered a vital matter for Britain's defence," one newspaper writes.

Further Statement

LONDON, Sept. 27 (Reuter).—A further announcement was made in London late to-night in connection with the unsuccessful Nazi air attack on a British squadron in the North Sea.

The announcement says that Mr. Winston Churchill's statement in the House of Commons was literally and absolutely correct, and that there was no truth in the German counter-statement that an aircraft-carrier had been sunk, a battleship badly damaged, and that all the Nazi planes returned safely to their bases.

GALLANT POLISH FIGHT AT END

Warsaw Completely Wrecked, Capitulates To Nazi Forces

SPECIAL TO THE "TELEGRAPH"

LONDON, SEPT. 28 (UP).—WARSAW, ONCE PROUD CAPITAL OF A NATION OF 34,000,000 PEOPLE, HAS UNCONDITIONALLY CAPITULATED AFTER ONE OF THE GREATEST AND MOST HEROIC RESISTANCES TO SIEGE THE WORLD HAS EVER KNOWN.

A radio broadcast from the city states that it is completely wrecked. Hardly a building remains standing in an area which once held 1,300,000 people.

GIANT INFERNOS

Giant fires are raging everywhere, and, because the water supplies have been destroyed by Nazi bombs and shells, there is no method of controlling the infernos.

The radio announcer described the city as "an inferno upon earth."

Warsaw officially capitulated at 11.30 a.m. (6.30 p.m. H.K.T.) after being besieged for 21 days.

RAIN OF DEATH

During that time, it is computed that 20,000 bombs and 100,000 shells were rained upon the city.

The formal surrender of the city to the German High Command will be made on Friday.

The surrender includes 100,000 troops, all of whom will lay down their arms.

24-Hour Armistice

A 24-hour armistice has been agreed upon in order to permit the city to attempt to quell the great fires that are raging.

In addition, Warsaw has thousands of dead civilians and soldiers still not buried, owing chiefly to the lack of burial grounds and insufficiency of labour for digging the large trenches that are being turned into common graves. All the city's parks have been converted into graveyards.

People Starving

The surrender of the Polish capital was announced over Zoczen Radio at 8.10 p.m. (5.10 a.m. H.K.T.). The Berlin Radio's orchestra immediately afterwards struck up "Deutschland Ueber Alles" and the "Horst Wessel."

Half a million starving civilians, every family of whom has suffered bereavement, remain in Warsaw.

Armistice At Noon

WARSAW, Sept. 27 (Reuter).—A report states that an armistice has been agreed upon since noon to-day.

PLEASE Turn To Page 2.

SCOTLAND MYSTERY

Unknown Plane Sprays Town With Bullets

LONDON, Sept. 28 (Reuter).—A spray of machine gun bullets from a mystery plane fell on Ballachantail, which is a hamlet ten miles from Campbeltown in Argyllshire, during to-day.

The roof of the garage belonging to a hotel was struck by several bullets. A window in the hotel was broken.

A plane was heard, but not seen.

A quarter of an hour later the plane was heard again and there were three rapid bursts of machine gun fire.

The hotel was crowded with visitors. There were many children including Glasgow evacuees, playing on the beach at the time of the firing.

Police are investigating the incident.

TIENTSIN ISSUE AGAIN WORTHY OF FRONT PAGE

SPECIAL TO THE "TELEGRAPH"

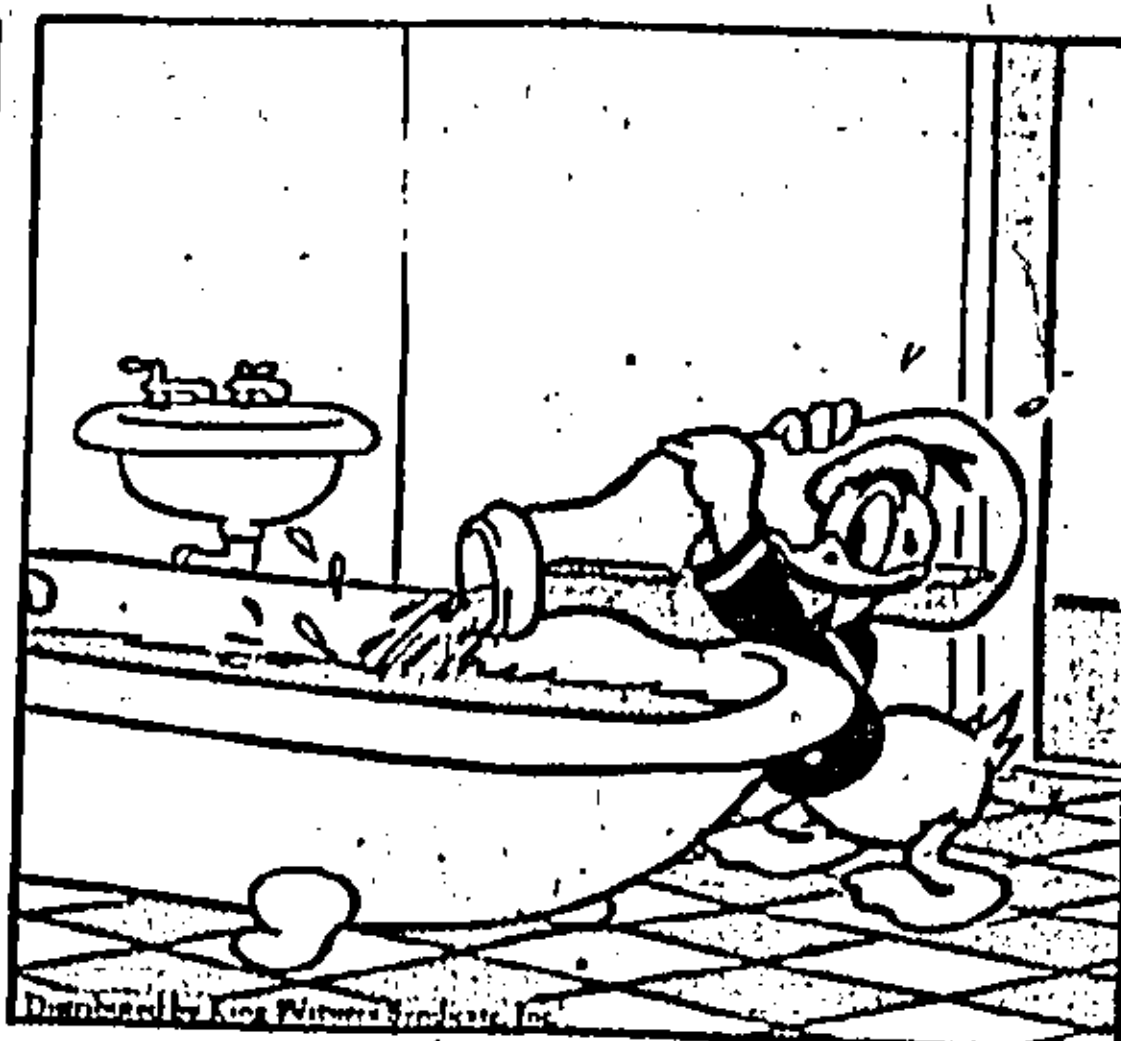
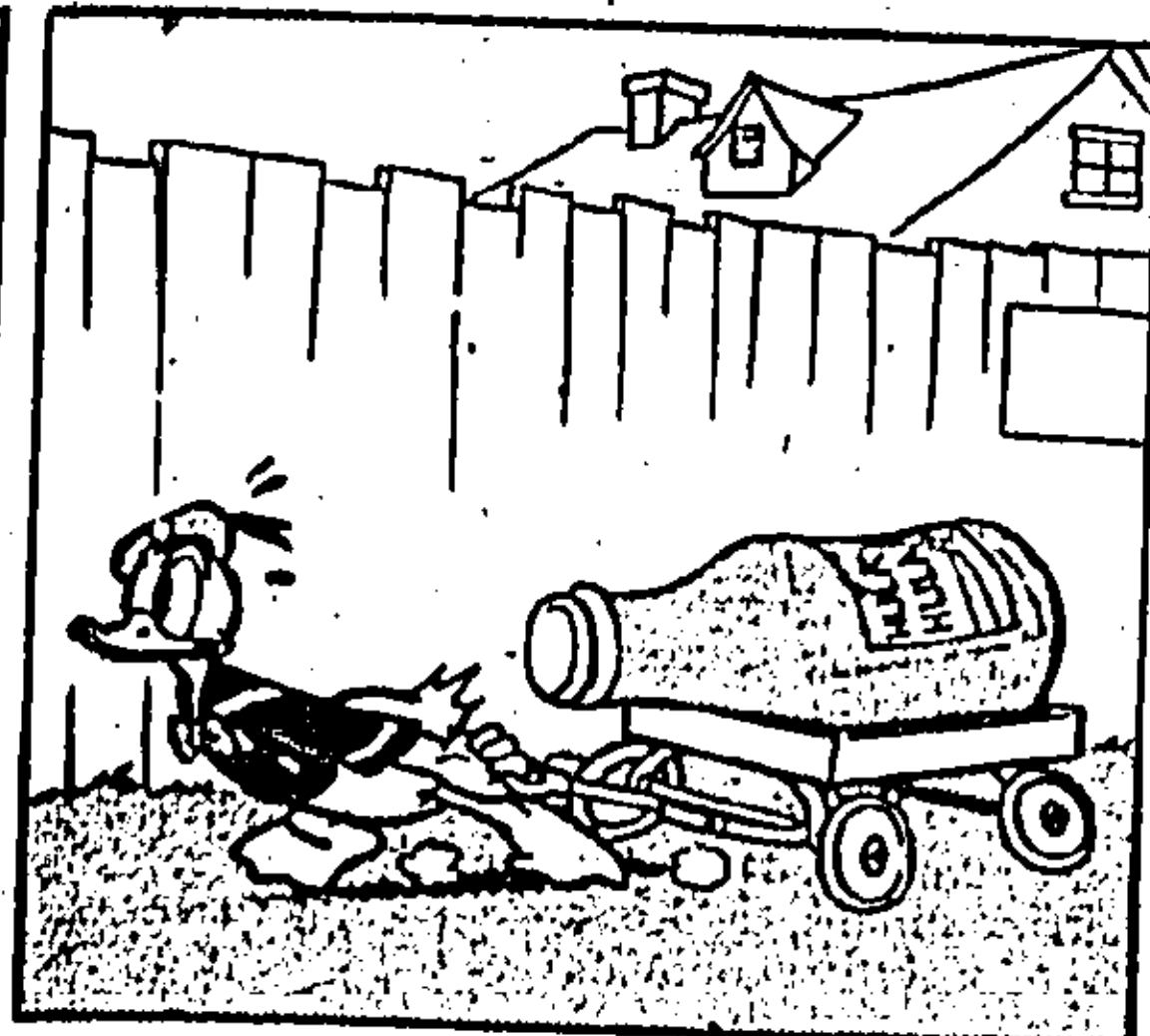
TIENTSIN, Sept. (28) (Dome).—The Japanese military authorities in Tientsin have refused to resume negotiations for a settlement of the British Concession issue until Britain accepts all Japanese claims without qualification.

This is the latest development in Japanese on several occasions with North China, where events have been overshadowed during September by the European crisis.

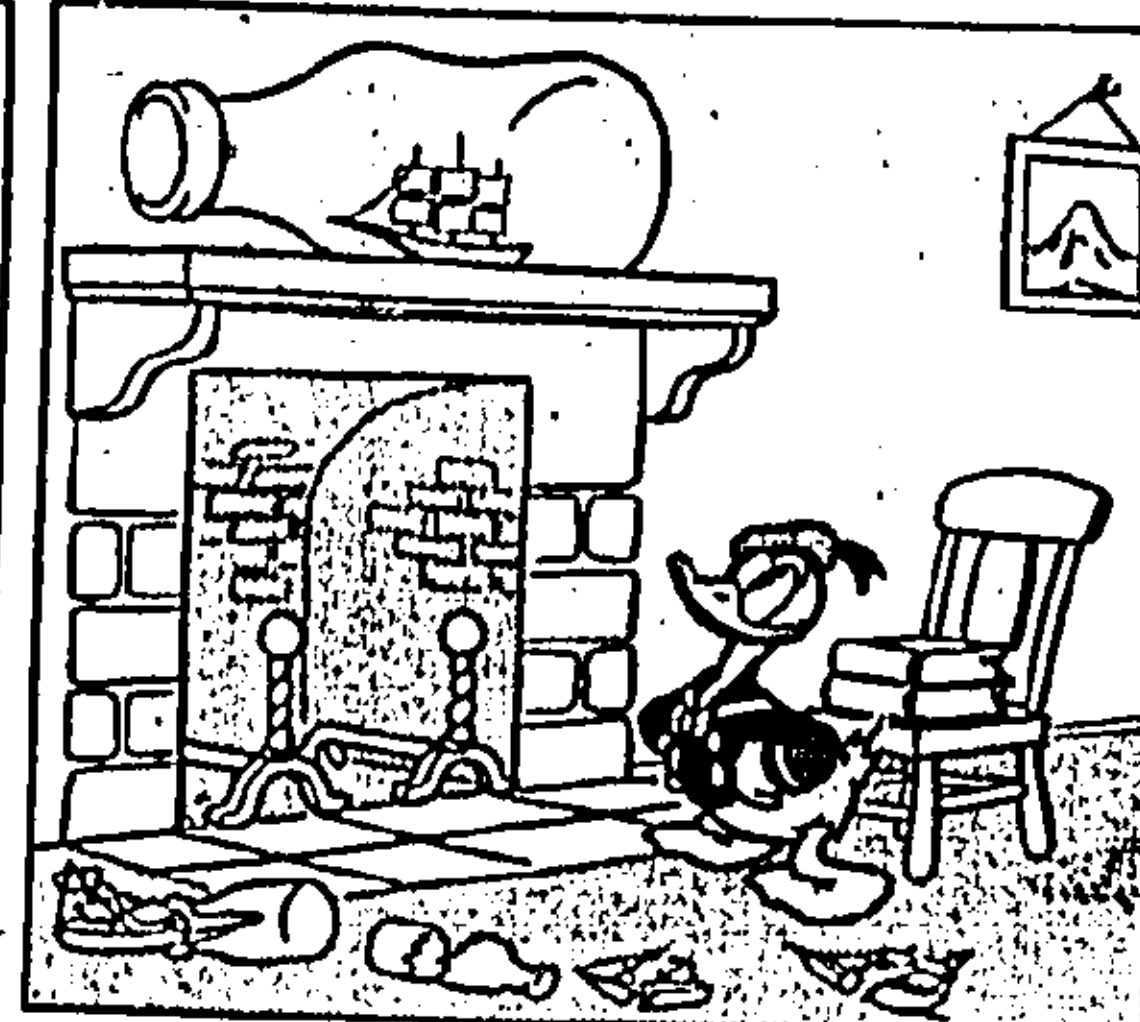
It is revealed that since the outbreak of war in Europe, the British authorities have approached the

PLEASE Turn To Page 10.

DONALD DUCK



By Walt Disney



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Crossword Puzzle

By LARS MORRIS

ACROSS

- 1—Small
- 2—Kind of puzzle
- 3—Close setting of
- 4—Remove
- 5—Actual
- 6—Mark of imitation
- 7—Medium sound
- 8—Mock
- 9—Onions
- 10—Exhaust bird
- 11—Line of sewing
- 12—Grave
- 13—Self-punishment
- 14—Before
- 15—Inquire
- 16—Every
- 17—Steel holder
- 18—Turf
- 19—Achieve with dim-
- 20—Cult
- 21—Concluded
- 22—Reverge
- 23—Patrol
- 24—Hillside
- 25—One who village
- 26—Trove
- 27—Principles
- 28—Clashed
- 29—Feathers
- 30—Wrinkle
- 31—Yet into
- 32—Part in play

DOWN

- 1—Unclosed
- 2—David
- 3—More than
- 4—Live
- 5—One who retreats
- 6—Period of time
- 7—Hidra
- 8—Custom
- 9—Long hair
- 10—Civil framework
- 11—Selling stick
- 12—Understands
- 13—Lays extremely
- 14—Self-amplifying
- 15—Short term
- 16—Place in Belgium
- 17—Deluded
- 18—Call out
- 19—Hundred
- 20—Older
- 21—To the nose
- 22—Onion
- 23—A good link
- 24—Lays paint coatings
- 25—Humor
- 26—Patience
- 27—Jumper
- 28—Malice
- 29—Diminution of merit
- 30—Accustoms
- 31—Bare
- 32—Kicked
- 33—Chamber residence
- 34—Dead coating
- 35—Away from wind
- 36—Transmit
- 37—Tend
- 38—Japanese wash
- 39—Crazy room

HOW THE BALTIC STATES STAND

(Continued from Page 4.)

under the leadership of the Baltic "Napoleon", General Laidoner, have given a good account of themselves in the past and would give an even better account in the future.

To Estonia's and Latvia's resistance might also have to be added that of Lithuania, with her 75,000 trained men and auxiliaries, who is bound to Estonia and Latvia in the Baltic Entente, and who would probably consider a threat to their integrity a threat to her independence as well.

THESE strategical considerations leave out of account, however, as pointed out to me by M. Selter, the Estonian Foreign Minister, that no small country is likely to be left on its own to resist a powerful aggressor. It will probably be lined up with a number of nations in a much larger conflict.

The attitude of the ordinary inhabitant of the Baltic States and Finland towards aggression was expressed to me in Finland as follows:

"To us, our country is everything. It is all we have. We will fight to the last man to keep it. To an aggressor Finland does not mean so much. Every German is not prepared to die for Finland."

It is this spirit, the spirit of young nations who have regained their independence after centuries of foreign domination and persecution with which an invader would have to reckon. The Baltic States and Finland would not distinguish between Russian "intervention" to guard her vital interests, or German aggression.

No country, except a Major, would alone be able to resist aggression by a Major Power. Finland, Latvia and Estonia with their proven armies and admirable fighting spirit ranging from one to three months against a Major Power and if that Power had also other fronts on which to fight, which they envisage would be the case, indefinitely.

AN UNRECORDED INCIDENT OF THE GREAT WAR

(Continued from Page 4.)

Went we lost sight of him I began to worry about my gear but we were very lucky we went back and found it in about two hours.

Having retrieved their gear, they were not content to go home without making another attempt to intercept the submarine.

So I got the gear, applied the warp and shot with our head toasted to see if we could meet him coming down again but no luck. All I can say we must thank our punter (James L. Hughes) for being a good marksman he say he owes them one they have killed three brothers of his.

Truly Skipper R.N.R.
C. B. Wright.

Neutrality Act Revision Will Not Affect China

Chungking, Sept. 27. President Roosevelt's new neutrality proposals, which are favourable to Great Britain and France, will not affect China, says an article this morning in the *Sao Tang Pao*, the mouthpiece of the Chinese Army. "German merchantmen," says the article, "have already been swept off the oceans and the cash and carry clause therefore can only benefit Britain and France. Since the United States has never recognised that a

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12.43 Jan Garber and His Orchestra.
1.0 Time and Weather.
1.03 Reginald Foort (Organ) and Ralf da Costa (Piano).
1.30 Reuter and Rugby Press, Weather and Announcements.
1.45 Chopin—Concerto No. 2 in F Minor, Op. 21.
2.15 Close down.
2.0 Studio—Children's Programme.
2.45 London Relay—News Supplement.
3.50 Closing local Stock Quotations.
3.52 Sydney Gustard at the Organ.
4.02 Songs by Benjamin Gigli (Tenor).
4.15 Alfredo and His Orchestra.
4.40 Studio—Another Musical Cocktail by Erich Forges (Piano) (from Jimmy's Kitchen).
5.0 Time and Weather.
5.03 Variety Programme with Sophie Tucker, The Vagabond Lover and The Mills Brothers.
5.45 Studio—"The Development of Britain's Air Arm" A talk by E. I. Wynne-Jones.
6.15 London Relay—The News.
6.30 Schumann—Sonata in D Minor, Op. 121—2nd, 3rd and 4th Movements.
6.45 Hepzibah and Yehudi Menuhin (Piano and Violin).
7.05 Birt—The Fair Maid of Perth—Suite.
7.15 Sir Thomas Beecham conducting the London Philharmonic Orch.
10.23 Verdi's "Aida" Act IV.
11.0 Close down.

state of war exists between China and Japan, the present neutrality law will not affect China. As outwardly the new Neutrality law aims to prevent the United States from becoming involved in the European war, President Roosevelt's proposals are likely to be adopted by Congress."

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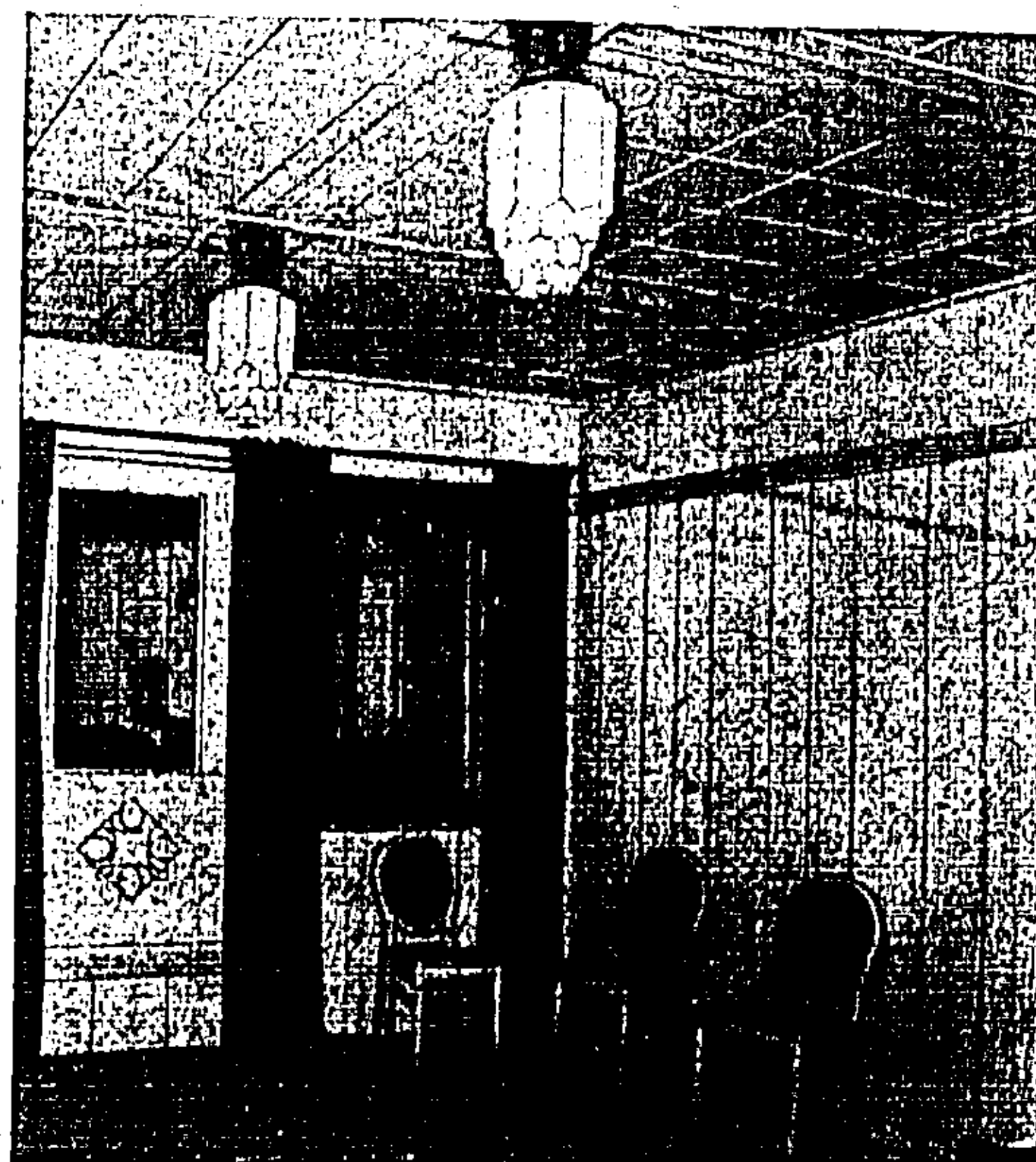
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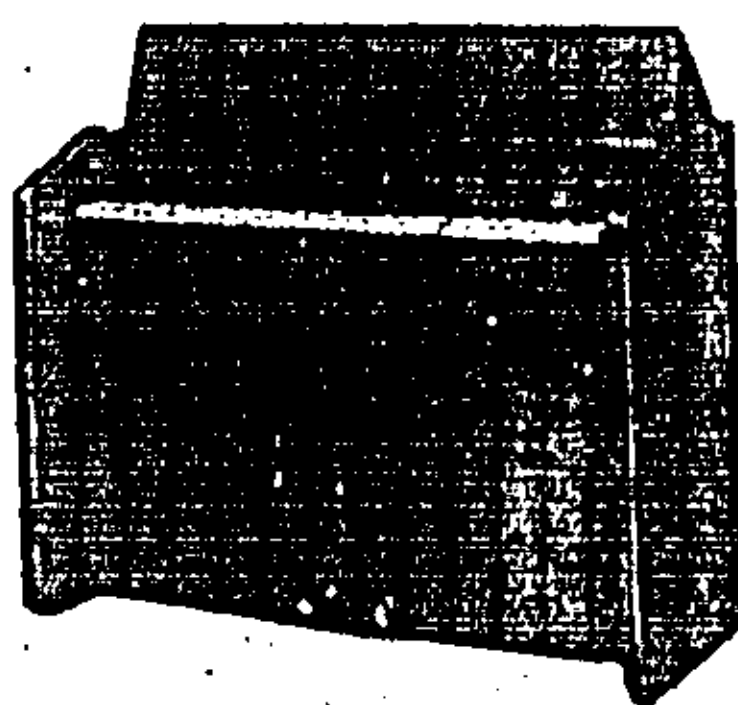
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The **Hongkong Telegraph**
Wyndham St., Hongkong
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September 28, 1939

Threat To Rumania

THE Russian threat to Rumania is of more consequence to the Allies than the possibility of an invasion of Estonia or any other Baltic State. Rumania is one of the four countries whose territorial integrity was guaranteed by Britain and France.

The background for the somewhat critical events that are now occurring in and around Rumania is mainly that country's phenomenal aggrandisement. "Greater Rumania", as it emerged from the Great War and the Versailles Peace Treaty, is more than twice as large and populous as the Rumania of early 1914, and the problems that are confronting it to-day are commensurate with its rank as one of the middle-sized states of Europe and its very strategic position on the checker-board of European diplomacy.

As a natural corollary to its tremendously increased size, there has existed for the past twenty years the problem of assimilation of non-Rumanian populations. Rumanian territorial expansion was effected at the expense of enemy countries—Austria, Hungary and Bulgaria—and of a former ally, Russia, from which it took Bessarabia. Hence, Rumania to-day is seriously concerned with maintaining the status quo. The dispute with Russia and the tension that has arisen along the Danube River is over the annexation of Bessarabia. Rumania secured international recognition of the annexation from the Allied Powers in October, 1920—but the Soviets, from which the territory was taken, have never recognised Rumanian sovereignty. To guarantee her position, Rumania endeavoured to establish an anti-Soviet alliance; she formed a Polish-Rumanian alliance of mutual assistance and received guarantees from Britain and France that they would come to her assistance should her territorial integrity be violated. The pact with Poland is dead—killed, in fact, by Rumania herself, for Poland needed assistance before Rumania. The guarantees from Britain and France are almost as dead, for any assistance they could render Rumania in the event of aggression would be contingent upon Turkish co-operation in the Black Sea.

Russia is not the only neighbour who is striking matches around the powder barrel of minorities upon which Rumania sits. Hungary is implacably hostile, and will remain so until her incessant demands for revision of territory are met. There are 1,400,000 Magyars in Rumania; a minority almost as vociferous as the smaller Nazi party. In the south, Rumania jealously guards Dobruja, which faces on the Black Sea, and which Bulgaria would like to see re-incorporated within its borders. Bulgaria is not so powerful or insistent upon treaty revision as Hungary; nevertheless, there is every prospect that Bulgaria will force the issue if she believes that Rumania's hands are tied in the north.

The situation in the eastern Balkans is complex and by no means reassuring. Rumania is in much the same unhappy position as was Czechoslovakia just before the Nazi invasion last year. If Russia seizes Bessarabia, the other wolves will assuredly join in the scramble.

How The Baltic States Stand

THE BALTIC STATES are jittery.

There have been all sorts of rumours this week of impending Soviet military action, of ultimatums and demands, an dof concentrations of troops.

Russia has long had her eyes on the small Baltic States. Not that they are rich, or that they themselves constitute a threat to Bolshevism.

But, to Russia, they are of the greatest strategic importance. Russia's frontiers are vulnerable mainly from this quarter.

That is why, in the negotiations with Britain before the signing of the Russo-German Non-Aggression Pact, Russia sought British guarantees for the Baltic States.

Russia fears that Germany might one day use the territory of Finland, Estonia or Latvia as a base of operations against her.

Finland, through her control of the Gulf of Finland, is in a position to render the passage of the Russian Fleet into the Baltic very precarious. It is not more than one hour's steaming from one side of the Gulf to the other.

Russia's vital single track railway from Leningrad to her only permanently ice-free port, Murmansk, runs almost parallel with the Russo-Finnish frontier. The White Sea Canal, which would enable Russia in time of need to transfer her Fleet from the Baltic to the North Sea, via the White Sea, is within easy reach of planes operating from Finland.

Further, seizure of the Aland Islands by a Power hostile to Russia would not only enable the Russian Fleet to be bottled up in its harbours but would enable the use of the Great Arctic Highway, an excellent motor road, running from Tornea in the north of the Gulf of Bothnia to Petsamo, near Murmansk, for military operations against this vital Soviet Naval Base.

An aggressor, seeking to use Finnish territory as a base for operations against Russia, would doubtless seize the Aland Islands as a first objective, and the non-fortification of those islands by Finland renders them an easy prey.

FINNISH generals with whom I have spoken consider the Aland Islands in their present defenceless state to be the weakest point in Finland's ability to resist an aggressor, and it is for this reason that Finland desires so ardently their fortification.

Paradoxically enough, it is Russia who objects to the fortification of these islands. The reasons which lead Russia to prefer islands vital to Finnish integrity to remain defenceless are known only to students of Kremlin inner circles. Finland cannot understand Russia's attitude, suspects her motives and, it is considered in competent circles in Helsinki, will soon fortify Aland, with or without Russian permission.

CONTROL of the Aland Islands by a Power hostile to Russia does not necessarily mean control of Finland, although some of Finland's most important railways, from Helsinki to Abo and Nystad would be within artillery range of the islands.

Finland relies above all for her coastal defence on the immense fortifications constructed by the Russians in pre-war years,—fortifications which it would be beyond the power of Finland's purse to construct herself.

The chief of these are on the island of Makello, west of Helsinki, from which 12" guns control the narrowest point of the Gulf of Finland opposite the Estonian capital of Tallinn. Numerous

other islands in the Gulf are also fortified, notably Svenborg, "Key to Helsinki", where the old Russian fortifications are extremely massive and strong.

Opposite Makello, on the Estonian side, are complementary fortifications on the islands of Aegna and Margo, between which the shipping channel passes to Tallinn.

Aircraft are forbidden to fly over these islands, but I understand from enquiries on the spot that both of these islands have also 12" guns mounted and that with the fortifications on the Finnish side they could effectively

by
H. GREGSON

ly close the entrance to the Gulf of Finland for any aggressor.

Until the Aland Islands are put in a state of defence where they could resist capture by a major Power, it is perhaps over optimistic to talk of Finland's power to resist an expedition penetrating the Gulf of Bothnia.

Finland, however, relies above all on her miles of marsh and forest, which would render advance by mechanised force impossible at most seasons and on the excellent fighting qualities of her troops, who have been called, owing to their stubbornness, the "Serbs of the North".

Her armed forces have a peace time strength of 32,000 officers and men, but these could be considerably increased in time of war and there are in addition 160,000 men and women enrolled in the so-called Civil Guards.

ESTONIA and Latvia are less fortunately placed than Finland, as regards natural and other defences, to resist an aggressor.

Estonia could put 90,000 men in the field and has an air force of some 70 planes. Latvia has about 25,000 officers and men, a small Fleet, and trained volunteers which would bring her effective fighting forces up to 100,000.

Estonia and Latvia, however, have a military alliance, and the Estonian Commander, General Laidoner, is one of the greatest military leaders of Europe.

Both countries have extensive defence works along their frontiers with Russia, and their territory, although flat, is densely forested in parts, and admirably suited to cavalry, which is a specialised branch of both armies.

Nobody who has seen the sturdy, broad-shouldered Estonian and Latvian soldiers, looking very business-like in their khaki uniforms can doubt their fighting qualities. Numbers are in this respect perhaps no guide because in their fight for independence the Estonians and Latvians fought three armies at the same time—the Germans under von der Goltz, the Baltic German landowner movement and the Bolsheviks. They emerged victorious, in spite of numerous losses.

The Latvians in pre-war days were especially noted as recruits by the old Russian Imperial Army. Hindenburg referred to the Latvian regiments who held him up outside Riga in 1916-17 as the "bright stars of the Russian forces", and there is no reason to believe that their morale is worse.

On the contrary, the price promised to the Latvian and Estonian soldiers for their sacrifices in the cause of independence was the land formerly held by the German Baltic landowners. They obtained independence and the land, and to-day both countries are nations of sturdy smallholders who know the value of what they have and are prepared to fight to keep it.

I ASKED the Foreign Ministers in Finland, Estonia and Latvia the direct question: "Can you resist a powerful aggressor?"

M. Erkkila, the Finnish Foreign Minister, replied with assurance: "We are quite capable of looking after ourselves."

M. Selter, the Estonian Foreign Minister, was more circumspect, as his country's more exposed position must lead him to be, but his reply left no doubt in my mind that the Estonians are prepared to put every ounce of their strength into resisting aggression from whatever source. The same may be said of Latvia.

Estonia and Latvia put their faith in mobility rather than in permanent fortifications for effective resistance.

Summing up, one may say that it would be the height of folly for an aggressor to use a hostile Finland as a base for operations against Russia. The terrain is admirably suited to the guerrilla tactics, even supposing the natural defences were overcome, and Finland is in such close contact in many spheres with Sweden, that an aggressor would possibly risk the antagonism of Sweden as well.

Estonia and Latvia are not so favourably placed geographically as Finland, but their combined armies,

PLEASE Turn To Page 3.

GRIN AND BEAR IT By Lichty



"What's this I hear about you offering to give that blonde across the hall a screen test?"

AN UNRECORDED INCIDENT OF THE GREAT WAR

LAST WEEK you read in the "Telegraph" how a Grimsby trawler rammed and sank a U-Boat. Here is an episode of the last war, in which a small trawler played a heroic role. If the submarine did escape on that occasion, it was certainly not the fault of Skipper Wright and his gallant crew!

By G. F. GILBERT

NOT ALL the heroic deeds performed by British fishermen during encounters with enemy submarines in the Great War have found their way into the official histories of that conflict.

Such a one I am now going to relate—or rather I will allow the chief actor in that dramatic episode of the sea, which took place in the latter part of 1917, to speak for himself. No words of mine could describe the scene as well as he does.

The very modesty with which he relates his experiences immediately stamps his story with authenticity.

Had the letter I quote been written by a man of education or carefully prepared beforehand, there might have been a doubt that the facts, if not untrue, had been exaggerated.

As it is, the simple phrases, the frequent mis-spellings and the occasional defects in grammar all go to show that the author was a man of deeds rather than words.

The letter came into my possession during the time I was serving in the Convoy Section (which worked in close conjunction with the Anti-Submarine Division) at the Admiralty.

The idea of a small fishing boat daring to attack a submarine filled me with such admiration that I made a copy of the letter which I have kept to this day.

THE writer's name was C. B. Wright. He was a Skipper (R.N.R.) and lived at 18, Prospect Road, Brixham.

The Admiralty had mounted a small gun in his boat—probably a three-pounder—and had given him a uniform and permission to fly the White Ensign. He must have been a proud man!

His letter began: "I suppose by this time you have heard we have been in action with a sub, we were fishing about fifteen miles W. by N. of Berry Head we were to wind of the fleet, about ten past four the mate saw a sub coming toward us with his head in the N.N.W. I went up the rigging with the glasses I saw what it was I could see his gun and conning tower."

In the midst of peaceful fishing, what excitement the advent of a U-Boat must have caused! You would have expected them to abandon their fishing gear

and try to escape while the going was good. But did they?

I ran down and ordered our forecast down and topmast down to make him think we were getting out our boat, we chopped our warp with buoys on it and a light in the den.

What about that for a quick thought-out stratagem! The skipper had evidently kept his wits.

I then up black pennant and up White Ensign. (He had not forgotten the rules of war.) When our Ensign got clear of our mizen our first shot was gone, just as our gunner had the second shot ready, he fired one shot it went between our main Sail and mizen mast.

SKIPPER WRIGHT, probably

for the first time in his life under fire, was not ashamed to admit that he had the "wind up", but, in spite of this, he finds time for a few words of reassurance to his gunner, asking him to "take it cool and steady." Nor does he forget to manoeuvre his ship into a position offering as small a target to the enemy as possible.

I thought our time had come, his letter continued, I said to our gunner now take it cool and steady and get your mark home he fired our second shot and it went straight over his deck, we saw a cloud of black smoke come from his Deck. I then told the mate (Tom Bowles) to keep our ship end on to him so he could not have such a good target at us as we were broad side on to him when he fired. I then ran down the hold to get some more ammunition but while I was there he turned with his head to the east.

Much to their disappointment the U-Boat, probably disdaining to waste time fighting so small a craft, went away.

The gunner called me up he said Skipper he is going away from us I said give him another the mate hard to port and brought our ship too and the gunner fired but he was out of range so we chased him. (what cheek!) till he was out of sight if I had only known we had damaged him I would have fired shots we had on Deck but you know what it is in a time like that me and the mate had to be all over the ship in about three minutes we did not have time to start our other motor, if we could have started the other we may have kept in range with him so we could have got three or four more shots into him.

IT WAS only then that they began to worry about losing their fishing gear.

PLEASE Turn To Page 3.

Three Missions Now In Moscow

Baltic And Balkans Fate May Be At Stake

LONDON, Sept. 27 (Reuter).—The new Turkish Ambassador to Germany presented his credentials to Hitler in Berlin today.

The visit of the Turkish Foreign Minister to Moscow, during which he is to continue talks with the Soviet Foreign Minister, M. Molotov, and the President of the Supreme Council, M. Kalinin, is causing much speculation.

It is surmised in some quarters that the visit is connected with the general Balkan problem as well as with direct Turkish-Soviet relations.

New Balkan Pact?

A report from Bucharest says it is believed negotiations are under way for a new Balkan pact under the patronage of Russia and Italy. The pact would include Turkey, Rumania, Bulgaria, Yugoslavia, Hungary and Greece in union with Italy and Russia.

The new alliance would guarantee the status quo in the Eastern Mediterranean.

It would mean that Hungary would renounce her claims against Rumania and that Rumania would receive Russian guarantees that Bessarabia would remain part of Rumania. It is in Russia's interest, it is pointed out in Bucharest, to check German domination in south-eastern Europe.

It is also hinted that the flight to Moscow of Herr Joachim von Ribbentrop, the Nazi Foreign Minister, may have been the result of this proposal having been made known.

Von Ribbentrop Arrives
BERLIN, Sept. 27 (Reuter).—Herr Joachim von Ribbentrop arrived in Moscow at 8.50 local time, accompanied by General von Ribbentrop, the Nazi Foreign Minister, may have been the result of this proposal having been made known.

Political Hub

SPECIAL TO THE "TELEGRAPH"
MOSCOW, Sept. 27 (UP).—Moscow became the political hub of Europe early this evening with the arrival of Herr von Ribbentrop and a party of 30 officials. The airport was decorated with Swastikas. The staff of the German Embassy, in top hats, the Italian Ambassador, M. Potemkin, and other dignitaries paid welcome while a company of Red Army aviators with their band acted as a guard of honour.

Although it was officially announced that the purpose of the visit was to discuss the problems arising from the joint occupation of Poland, diplomatic circles believe that the presence of other foreign delegations will be used for the general air of the Soviet-German attitude in the Baltic and Balkans.

M. Sarajoglu, the Turkish Foreign Minister, continued his conversations with the Soviet leaders. Simultaneously the Estonian Foreign Minister, M. Selter, visited the Foreign Office in connection with the alleged activities of Polish submarines in the Baltic.

Moscow's Initiative

LONDON, Sept. 27 (Reuter).—"Reuters" diplomatic correspondent, writing on Herr von Ribbentrop's visit to Moscow, says that one important and indisputable fact is that the initiative came from Moscow.

Herr Ribbentrop was summoned to the Kremlin, not to make proposals, but to receive them.

Whether the proposals concern only Poland, or include the Baltic States, and even the Balkan States, is a matter for surmise.

The fact that M. Selter, the Estonian Foreign Minister and Mr. Sarajoglu, the Turkish Foreign Minister are both at present in Moscow, suggest that a wide field of international politics may come under review, but there is an obvious difference in the attitude of Russia towards Turkey and towards Estonia.

Growing Menace

There is a growing menace in the language of the Russian press and wireless towards the Baltic States, and Herr von Ribbentrop may find himself confronted with plans that are not too favourable for Germany's position in the Baltic.

Regarding the Balkans, the indications suggest economic and political dealings, rather than territorial.

Selter In Moscow

MOSCOW, Sept. 27 (Reuter).—The Estonian mission arrived here today shortly after Herr von Ribbentrop had landed.

The mission is headed by M. Selter the Foreign Minister.

Lithuanian Neutrality

Kovno, Sept. 27 (UP).—Demobilisation continues, with the Government accepting the Berlin and Moscow assurances to respect Lithuanian neutrality.

The Press asserts that with Russian troops on the border there is no need to fear because of their traditional friendship.

NAZI FUNK HOLES

Amazing Detailed Evidence Shown

PARIS, Sept. 27 (Reuter).—"Here is the answer to Dr. Goebbels' challenge," declared the American journalist, Mr. H. R. Knickerbocker in a signed article in the "Paris Soir," giving, in amazingly meticulous detail, an account of Nazi leaders' alleged foreign investments which total \$34,000,000.

The article closely identifies numerous agents together with the amounts they are supposed to have negotiated, and the destinations and denominations of the deposits.

Mr. Knickerbocker says that Dr. Goebbels employed three agents: Wilhelm Achterberg, representative of the Nazi publishing house of Franz Eher Verlag, deposited \$1,830,000 in the sales of a German importing firm in Buenos Aires.

Thomas Buecher, a member of Goebbels' propaganda staff, with the help of the Kreisbank Company, deposited bearer shares worth 2,480,000 belgas in Luxembourg.

M. von Eddelheim, a banking agent, deposited at the Osaka branch of the Nippon Ginko, Japanese currency and bills payable at sight valued at £465,000.

Insurance Details

Mr. Knickerbocker gives details of insurances on Dr. Goebbels and his wife's lives contracted through the Dortmund Union Brauerei firm in Berlin, dollars, belgas, Swiss francs and marks.

Mr. Knickerbocker similarly butlines other leaders' alleged investments, beginning with Herr von Ribbentrop, whose three agents, he says, include Herr Eylan, nephew of Herr Heinkel, the latter being a champagne manufacturer, and Dr. G. ...

These three, he asserts, deposited sums equivalent to \$105,000 in Dutch and Swiss banks.

Unlike the other leaders, Herr von Ribbentrop deposited none of his money in French francs, and Mr. Knickerbocker remarks that Herr von Ribbentrop always held to the Hitler ideal that a separate peace with France was possible.

Herr Ribbentrop's insurance policies, which are set forth in detail, were taken by friends in the wine trade, the writer asserts.

Goering's Investments

Field-Marshal Goering's alleged clandestine investments through four named agents are then set forth, including a list of specified United States securities.

Mr. Knickerbocker asserts that Herr Ley was unlucky, for one of his agents named Rivhter was implicated in a fraud scandal and was imprisoned in a jail. Through four other agents, Ley was able to export \$50,000 to \$60,000 a month for six months preceding the war, the majority to South America.

Dealing with Herr Himmler, Mr. Knickerbocker says that the Gestapo chief avoids banks, but he placed about \$2,000,000 in the hands of German friends in South America, the Near East and in Finland.

Expert Revelations

Mr. Knickerbocker acknowledges his indebtedness for the information to a group of experts whose privileged position in the banking and financial world enabled them, he states, to obtain precise details which are not accessible to others.

"They were not intended to be used during peace time, but now they are published at the request of Dr. Goebbels who announced that I had fled and was unable to reply."

"It is possible Goebbels' agents saw me board the ship at Southampton last Saturday, but did not see me land."

Food For Pamphlets

SPECIAL TO THE "TELEGRAPH"

LONDON, Sept. 28 (Reuter).—Sir Edward Grigg told the House of Commons that the Minister of Information has received American press reports showing large fortunes being placed abroad by certain Nazi leaders. He is taking steps to see that these reports, and the implications of the action of the Nazi leaders, were brought to the notice of the German people.

DISRUPTION IN EIRE TRADE

DUBLIN, Sept. 27 (Reuter).—Moving the adjournment of the Dail, Mr. de Valera said although the country was not at war the position of the community was going to be serious.

Defending the mobilisation of the army, Mr. de Valera said that it was going to prove expensive, but it was a necessary measure to maintain neutrality.

The consequences of the war were going to be felt. There was going to be a complete disruption of the ordinary methods of trade.

Regarding supplies, he said they would have to arrange much closer co-operation with the British Government.

ITALIAN PLANE RESCUED

SPECIAL TO THE "TELEGRAPH"
MALTA, Sept. 27 (Reuter).—A British submarine and a British military plane today went to the rescue of an Italian commercial plane which was forced down off Malta.

The crew and passengers of the machine were all saved.

LETTERS

Real Profiteers

The Editor, Hongkong Telegraph.

Sir,—Thanks to the questioner at the Urban Council meeting, this week has not been without its smile. For the benefit of those who did not see the humour of the statement that "it is principally freight rates that determine the price of imported foodstuffs," I give you the following figures which are actual facts.

The rate of freight on evaporated milk, for example, was US\$10 per ton, weight, from San Francisco to Hongkong (rate not controlled in any way by anyone in Hongkong). At present exchange rates, an increase of 50 per cent in the freight rate would have meant an increased cost per small baby tin, of HK\$0.0084. Actually, the increase is 20 per cent only, and amounts to HK\$0.0024 per tin. Now you can see how much the freight rate has to do with determining the price of imported foodstuffs.

But for a real smile, remember that the freight rate from Hongkong to U.S.A. and Canadian ports on Wood Oil, Italian Furniture, Fire-crackers, etc., has no bearing on the cost to you of anything you can eat here, whether imported or locally grown.

Also, it might not be amiss to state that if common carriers, sometimes known as "complacent dictators," cannot increase their rates to meet increased operating costs, it is only natural that they will "hold the child's hand" that it is better to leave a commercial community flat without even a one-way profit.

Profiteering

Sir,—We have been instructed to draw your attention to the remarks on Profiteering by Mr. C. Champlin at the meeting of the Urban Council held yesterday as reported in your paper.

The actual position is that in the case of shipments to and from the United Kingdom the war risk rate immediately prior to the declaration of war was 1/4%, and that this rate was approved by the British Government, which undertook the major part of the risk. Since the outbreak of war practically the entire United Kingdom war risk business has been transacted by the War Risks Insurance Office in London set up by the Board of Trade under the provisions of the War Risks Insurance Act, 1939. The present War Risks Insurance Office rates are: Via Mediterranean, 4 1/4%; Via The Cape, 3 1/4%.

Insurance Companies rates which are set up by the Institute of London Underwriters (and not in Hongkong) are based upon information furnished to London from all sources upon which the degree of risk can be assessed.

It must not be overlooked that for voyages to and from the United Kingdom it is open to merchants to use the Government scheme, and companies are anxious to assist them to do so, as they prefer not to be interested in such a hazardous liability as present day war risk presents.

We consider it unnecessary to add anything further to show that Champlin's remarks as regards profiteering in insurance were entirely misleading and could only have been made through ignorance. A copy of this letter has been forwarded by us to the Chairman of the Urban Council.

LOWE, BINGHAM AND MATTHEWS,
Secretaries, The Marine Insurance Association of Hongkong and Canton.

Neutrality Measure Quick Approval By U.S. Senate Likely

WASHINGTON, Sept. 27 (Reuter).—The debate on the Administration's new neutrality bill for the repeal of the arms embargo may begin in the Senate on October 2.

Senator Borah, leader of the opposition to the measure, announces that his opponents could gain little time by an extended discussion in the foreign relations committee. The committee, therefore, is expected to approve the measure promptly, and supporters are optimistic about quick Senate action.

Senate Majority
SPECIAL TO THE "TELEGRAPH"

WASHINGTON, Sept. 27 (UP).—Mr. Stephen Early, the President's Secretary, said that the Administration would refrain from any comment regarding neutrality measures. It is apparent that the move is to forestall any charges of Executive premeditation on Congress.

He also revealed that the Administration will keep all extraneous issues and business including nominations, from Congress until the neutrality issue is settled.

Meanwhile, Administration circles claimed that 50 votes in the Senate, above the majority, would favour a repeal of the embargo. A "United Press" compilation placed the vote at 47 Democrats, five Republicans and one from the Independent camp of the President.

Meanwhile, friends and foes of any revision are looking radio time to carry the fight to the people. The Legislators have been deluged by thousands of letters, telegrams and postcards.

WESTERN FRONT

Saarbruecken Evacuated

PARIS, Sept. 27 (Reuter).—The Germans have completely evacuated Saarbruecken.

The French are seriously threatening the city, which is under continuous artillery fire.

Saarbruecken has been evacuated because French artillery and machine gun fire became so heavy that the Germans were unable to hold the town. They are now trying to loosen the grip with which the French are tightly encircling it.

Between Zweibrücken and Hornbach, the Germans are showing uneasiness owing to the French hold on the Oberrhein salient which protrudes into German territory, its ridges dominating the Hornbach stream.

German guns have been pounding the salient for several days.

Nazi Lines Wiped Out

PARIS, Sept. 27 (Reuter).—Many important positions in the Siegfried Line have been wiped out by French artillery fire. It is stated in Paris that there are between 30 to 40 pill-boxes to the square mile in the Line.

The intense German fire is believed to be intended as protection for troops who are hurriedly rebuilding shattered block-houses and erecting new pill-boxes.

German troops from the Polish front are still missing behind the Siegfried Line.

French Communiqué

SPECIAL TO THE "TELEGRAPH"
PARIS, Sept. (UP).—Communiqué No. 48, issued at 8.40 p.m., says: "The day was marked with activity of our reconnaissance detachments. Airmen from a distance of 20 miles, are now sweeping the villages and roads between and behind the Maginot line fortresses on a 50 mile front from Saarbruecken to Wissembourg, seeking to interrupt communications and prevent further movement of troops to the front."

British and French batteries and the Maginot line guns are methodically shelling the German pill boxes. Both armies are digging in under intense artillery fire, neither attempting to advance their positions, or secure better cover.

Gunfire Lengthened

PARIS, Sept. 27 (Reuter).—German artillery fire has lengthened and is now being directed towards the French frontier. Villages far behind the lines, which had been evacuated, are now being shelled.

The official French commentator says concentrations of German troops at Ansbach (44 km. Châtelain) are now considered to be not as important as at first thought.

He said four German planes were brought down on Monday and two French planes were lost in Germany.

Million Men Mass

ON THE WESTERN FRONT, Sept. 27 (UP).—A correspondent with the German Army on the Western Front says that Germany has massed more than a million men, including crack units shifted from Poland, for what is probably to be a purely defensive war.

He toured 200 miles of fortifications on the West Wall—half facing the Belgian and Luxembourg borders—which gives ample evidence that Hitler has the intention at present of opening an offensive against the Allies.

Nazi Strength

NEW YORK, Sept. 27 (Reuter).—An American newspaper correspondent, describing how he was shown over the Siegfried Line, says there is no doubt that the German fortifications are very strong. The surface defences consist of barbed wire, tank traps and pill-boxes. The underground defences are built into the hillside and very heavily protected.

Hidden by shrubs and trees, not a sign of them can be seen from the air. The correspondent says the underground defences are protected by machine guns at each end. When he asked about this, he was told that they were for use if the enemy broke the line.

SUGAR PRICE CONTROLLED

The first specific order against increased retail prices of commodities in Hongkong was made by the Controller of Food, Mr. E. R. Butters, this morning, when the maximum price at which sugar and its by-products can be sold in the Colony was announced in a "Gazette Extraordinary."

The controlled prices announced in the "Gazette" are somewhat in excess of the prices ruling before the outbreak of war.

Fine granulated sugar may not be sold at more than 15 cents per lb. Controlled prices are also announced for 1lb. rolls, 5lb. and 10lb. bags, 10lb. and 40lb. tins, 50lb and 100lb. gunny sacks and other packings. Cube sugar may not be sold at over 10 cents per lb. The controlled price for lump sugar is 18 cents per lb., and for castor sugar 20 cents.

Brown sugar may be retailed at 14 cents per lb.

Maximum prices are also announced for Talcum, Golden Syrup, Black Treacle, Table Candy, Coffee Candy and Coffee Crystals.

NEWS FLASHES

FOOTBALL POOLS ARE VETOED

LONDON, Sept. 27 (Reuter).—Football pools, the most popular of Britain's winter pastimes, have been officially vetoed.

This is in consequence of the strain already thrown on the Post Office by the war.

R.A.F. PUBLICITY

LONDON, Sept. 27 (Reuter).—Sir Kingsley Wood, Secretary for the Air, stated in the House of Commons today that he would follow Mr. Winston Churchill's example, and would make full statement on the part the Royal Air Force takes in the war on a suitable occasion.

BURMA DEFENCE

RANGOON, Sept. 27 (Reuter).—A Defence Council has been formed in Burma to deal with problems other than those in the sphere of the military command. The Chairman of the Council will be the Governor, Sir Archibald Cochrane.

NEW CROIX DE GUERRE

PARIS, Sept. 27 (Reuter).—The French Army is now awarding the new Croix de Guerre in a manner different from that of the last war. The new medal will be awarded for gallantry not only on the field of battle but also for valorous feats outside the battle zone.

HOME AS HOSPITAL

LONDON, Sept. 27 (Reuter).—Viscount Bledisloe, former Governor-General of New Zealand, has offered his Gloucester seat at Lydney Park as a hospital or a convalescent home for the New Zealand forces.

DANISH TRADE

COPENHAGEN, Sept. 27 (Reuter).—A Danish Trade Delegation left Oslo for London today to discuss the import and export questions. The delegation flew to Amsterdam and is continuing from there by sea.

KING VISITS TROOPS

LONDON, Sept. 27 (Reuter).—The King and Queen today visited troops "somewhere in England."

BRITAIN AND EIRE

LONDON, Sept. 27 (Reuter).—Mr. Anthony Eden announced today in the House of Commons that Sir John Maffey had been appointed United Kingdom representative in Eire, in order to maintain closer touch with the British and Eire governments in view of the war situation.

GOODWILL PLANE

BUENOS AIRES, Sept. 27 (UP).—The Japanese goodwill plane Nippon arrived at 1.9 p.m., after hopping off from Santiago, Chile, at 9.12 a.m.

DALADIER RETURNS

PARIS, Sept. 27 (UP).—M. Daladier, accompanied by the Ministers of Foreign Affairs and Defence, has returned to the War Office from a trip to London, where he conferred with various officials.

CHINESE BUDDHISTS

CHUNGKING, Sept. 28 (Central).—A Buddhist goodwill Mission, headed by Monk Tai Hsu, will shortly leave for Burma, Thailand, Ceylon and India. They will explain China's present struggle for independence and world justice to the people in those countries.

RAID ON YULIN

YULIN, Sept. 28 (Central).—Yulin, important town in northern Shensi, was subjected to two severe aerial attacks by 12 Japanese planes yesterday. More than 200 high explosives were rained, killing and wounding over twenty civilians and devastating a wide area.

PREMIER'S SPEECHES

LONDON, Sept. 28 (Reuter).—Mr. Chamberlain has replied in the negative to a suggestion that his weekly statements from the House should be broadcast, remarking that he was satisfied that the existing arrangements ensured full publicity.

DISAPPEARANCE OF BREMEN

Liner Now Reported At Murmansk

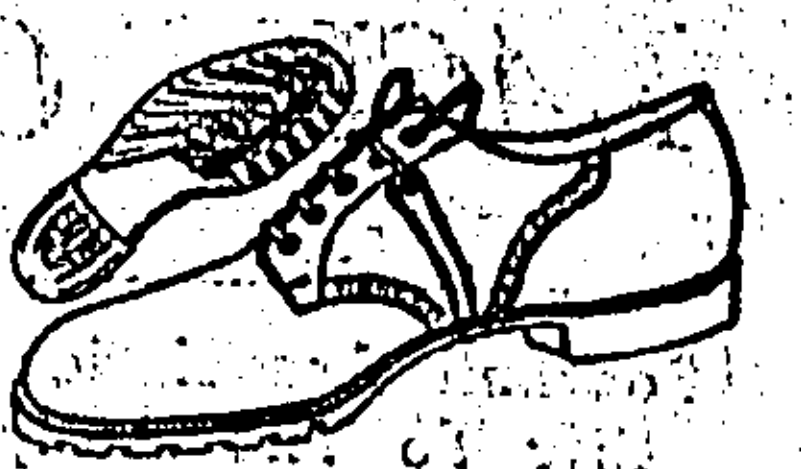
LONDON, Sept. 27 (Reuter).—With reference to Mr. Winston Churchill's statement that the German liner Bremen was in a Russian port, it is rumoured that the giant trans-Atlantic vessel is at Murmansk.

Just before the outbreak of war the Bremen left New York for an unknown destination, and rumours have been prevalent since about her fate.

Various theories have been advanced regarding the method of her escape, one being that she changed her flag and so rendered herself immune.

In the House of Commons today Mr. Winston Churchill was asked if it were possible for an enemy vessel to change her nationality on the high seas.

Mr. Churchill did not answer.



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LACK OF GRIMNESS SEEN IN CRICKET BY ENGLISH WRITER

Football Association's Gift To The Army

The Football Association have decided to spend a sum up to £1,000 on footballs and football equipment for the Army. Mr. Rous, the secretary, has discussed with the C.O.C. of Home Forces the possibility of the facilities of the F.A. being utilised during the war, with special respect to their panel of coaches, trainers and masseurs. The scheme has been favourably received and the authorities are going to arrange for its administration. Already a number of clubs have offered facilities for troops to participate in recreative exercises on their grounds. The Football Association also point out that the registration of all professional players remains effective and players cannot assist clubs other than those for which they are registered.

Successful Soccer Tour Comes To End

The South China Athletic Association's Association football touring team returned to the Colony yesterday morning after a very successful tour, during which they played 46 games in Java, Sumatra, Malaya and the Philippines, losing only five of them.

The team have brought back to the Colony a new member in Tan Chuan-kuen, from Medan (Sumatra), who plays a very useful game at inside-right. He is reported to be very much like Tay Quee-lung, former South China winger, in style, although more accurate in his shooting.

Financially, the tour is reported to be a success, although the international crisis had a disastrous effect on "games" in Java, where the majority of the population avoided "big crowds." The four games in Manila were enjoyable and drew large crowds.

In their first game in which they were beaten, South China were unfortunate in that their custodian badly strained his back and was unable to hold any of the high angle drives, but for the remaining matches the team borrowed a Chinese goalkeeper from one of the Colleges and thereafter had things very much their own way.

Poor Positioning

Lee Wai-long, China's soccer idol and Colony centre-forward, joined the team in Batavia, but did not play immediately as he was laid up for almost a week with influenza. He watched many of the games, however, and paid particular attention to new-comers, among whom Hou Yung-sung, formerly of Kwong Wah, showed up well on occasions, although still very "green" in his positioning. The rest of the South China "A" players maintained their best form while Lee Kwok-wai, former Colony Interport left-half, turned out in the full-back division in several matches and was a very useful acquisition.

Asked about the projected Philippine Far Eastern soccer tournament, Lee Wai-long said that no concrete proposals had yet been drawn up by the Philippine Amateur Athletic Federation, nor was there any likelihood of anything being done until the international situation clears up. In any case it would have to be

Not long ago, in a club cricket match, a batsman, playing at a fast no-ball with studious care, had his wicket shattered. A deep-fielder, seeing but not hearing the batsman's ensuing remark, shouted to the bowler, "What did he say?" "He said," answered the bowler, "that he meant to miss that ball." "Oh, did he?" shouted the deep-fielder; "well, tell him from me that he's a d—d liar."

I should add, perhaps, that fielders and batsmen had not for some years been on wholly friendly terms, and, to those who with a craven mildness shudder at the unmistakable directness of the fielder's observation, I suppose that the episode appears painful, even disgraceful, says an English writer. Myself, I like it. It reeks of combat. I think that, in the circumstances, Dr. Grace would have enjoyed it. So would the great Lord Palmerston. It was a thrust; not a niggling prod from behind; something to arouse rage and a wholesome search for revenge, both of which are purgers of the soul.

For I have a feeling that modern cricket, with all its excellence and attraction, is in danger of losing a grandeur of combativeness, a vehemence of intent. There is sometimes too much "by your leave," too much "bad luck," "I didn't want to bowl you out," or "excuse that six into the road, but this is a wonderful bit of wood."

NO PARLOUR MANNERS

The sight and smell of the arena must not give place to the manners and scents of the parlour. A great cricketer, like a great boxer, in action should be opposite—the last syllable being as in "cordite." Yorkshiremen are like this, yet there are no merrier laughers in the game. When not jumping on other teams they love, so to speak, to lie a-basking in the sun. I suppose that no County cricketers apart, has produced quite such grim faces on the field, and at the same time such playful eccentricities in spare time. George Macaulay, among the more artistic bowlers of the post-war years, too early lost to the game through injury, took a high place among cricket's gladiators. He would outface quite strong minded batsmen, then, simulating at close short-leg, would fix an opponent with an intensity worthy of a turn-key. But, as I remember, he was a gay companion when the day was done.

W. G.'S BLACK BEARD

A professional cricketer who for two or three years at the beginning of this century was probably the

discussed by the many Far Eastern nations.

NEW POLICE MEMBERS

Schoolboy International Included in Group

A schoolboy international, R. Hogarth was one of a group of sturdy young men who arrived from Home yesterday to join the Hongkong Police Force. Hogarth comes from Scotland and played football for his homeland against England before he had left school.

Police circles stand to profit generally from the arrival of this batch of young men. All have played either Rugby or soccer and one, C. Coull, played in very good class football. All but one are newcomers to Hongkong. The exception is N. Reynolds, a native of the Colony, who has been in England for seven years; before that he might have been seen on the football field with St. Joseph's College and the Central British School.

The others in the group were—J. Dempsey, I. R. Jack, J. L. Lewis, R. Mackenzie, K. N. McLeod, A. C. Foul, C. G. Smith, W. Todd, H. Tyler, and F. Woodhead.

greatest all-rounder in the world in a time when "stars" were so thick that the sky was a blaze of gold; recently expressed to me a doubt whether the game to-day produces so many "personalities" as when he was young. This was not just the old yearning and love for the past, for he is slow-witted and unbalanced judge, a lover of life, an optimist, and a helper of young cricketers. From discussion two conclusions came, first that it is mighty hard for a man to be great in "personality" unless he possess the skill to warrant it and to set it off. For it is of little value to have "personality" if you make next to no runs, miss too many catches, and are not asked to bowl.

Indeed, it is very difficult to dissociate personality from skill. W. G.'s black beard meant runs. So did his huge shoulders; his Marleybone cap; his left too cocked upwards. W. R. Hammond's skill and personality are, I think, identical and inseparable. He enters to the silence of admiration and expectation. If he is bowled first ball, a great presence, as well as a great innings, has been lost. We sigh, and settle to enjoy as best we may the humdrum and the ordinary. It was so with Frank Woolley; a quiet man who wasted neither word nor gesture. "Here comes Stalky," I remember an umpire saying, as Woolley came out to bat. "Of how few do we ever say 'Here he comes'!" Even quieter was J. W. Hearne, yet with greatness on him from his neat, moving feet to the tidiness of his cap. Such men are, as the poet says, "more truly great than those who supplement their skill with irrelevant and eccentricities of movement, gesture, or conversation."

His second conclusion was that personality is almost absent among cricketers. The answer was easy but sad. "Yes, for the amateurs are almost absent. You played in the meridian of amateur cricket, among Ranji, C. B. Fry, H. K. Foster, R. Foster, A. C. Woods, S. M. J. Woods, Lionel Palairet, F. S. Jackson, Gilbert Jessop, and many more, good, if not so great. To-day you can number the amateurs and matter almost on the ground of cricket, and the one is good enough to be picked for England, and he began as a professional. Yes; there is another, but he can't get away."

FENCER BACK IN COLONY

Mr. F. J. T. Locke, Public Works Department engineer, found opposition while on leave to meet many of England's and Europe's best men and, in happier times, might have established a claim to a place in next year's British Olympic team. He returned to the Colony yesterday, the outset when he was able to meet Kaboshi, present world sabre champion, in a friendly match at Budapest, and he had further trials against European fencers with epee and foils in Italy and Paris.

He was invited to represent the Bertrand School, where he received his training, in several international competitions, and always reached the finals. These were the Gravel Tournament at Kingsgate Castle, the Polonia Cup Competition, the Savage Shield Cup competition, a foil, epee, and sabre event for better quality fencers in the clubs and Services.

On his own account, Mr. Locke entered the British Open and British Junior Open epee championships, reaching the finals in each instance.

HAIPHONG TEAM ENTERTAINED

A dinner given last night in honour of the Haiphong Football team which has played a series of matches here, attracted a large number of guests. Among those present were Mr. Chan Lan-long, Chairman of the Eastern Athletic Association, and many of the players who have played against the visitors.

Mr. Cheung Siu-long, Manager of the Bank of Kwong, said recently a campaign was started to buy mosquito nets for the wounded soldiers of the Chinese Army. He had great pleasure in thanking the Haiphong Football team and the various local teams in adding the campaign. He thanked the Eastern Athletic Association and the Bank of Kwong for making it possible for the games to be played and for making the dinner the success it was. He then asked the gathering to drink a toast to the success of the Haiphong team. Speeches were also given by Mr. L. F. Chan, Chairman of the E.A.A., Mr. Vlem, manager of the Haiphong team, and Mr. Sammy Tsang.

The gathering broke up with a toast drunk for the health of the Haiphong team.

Here And There With "Abe"

Home Football Not To Be Totally Affected

SOCCER at home is not to be totally affected by the war, as a cable published yesterday stated that the game will be resumed on October 14, though not in the same lines as the old professional leagues. Matches in Scotland will be run on the basis of two regional leagues, each of 10 clubs, and those in England will be on the basis of seven groups. This arrangement has been made following the recent Government order to permit football grounds and other places of entertainment in neutral and reception areas to re-open but they must not open later than 10 p.m. This is part of the official notification issued by Mr. S. Rous, the F.A. Secretary:—"Friendly matches at which it is not anticipated a large crowd will congregate may be played in areas not specified in the official list, provided sanction is first obtained from local police headquarters."

Bad Luck For Them

NO one quite knows what is the position of season ticket-holders, who have paid in advance for the present autumn and winter. Will they get their money back? It is doubtful. The action of Oldham Rugby League club in deciding not to return the £800 which they had spent on season tickets before the season started has raised an interesting problem. Some League clubs have a handsome source of revenue from season tickets and really cannot afford to refund the money. For example, take Bradford. They have spent £11,000 on transfer fees and summer wages and with only one home gate of £600 to recompense them will be hard hit if compelled to pay out more money. For ham president Mr. J. Parkin, hit the nail on the head when he said: "We must appeal to our members to make this sacrifice. The club have had only one home gate of £214 and have spent £3,000 in the last eight months on eight first-team players."

Rugby At Home

THE Scottish Rugby Union have decided to cancel all fixtures arranged for this season, but games which do not interfere with national duties or regulations may be played. The international ground at Murrayfield, Edinburgh, is to be offered to the authorities for national use and the Union recommends that where possible all clubs should make a similar offer. The English Rugby Union are expected to issue a statement on the same lines. In Wales the decision to allow football to be played in neutral areas. There are high hopes of play in Ireland. Some clubs are beginning practice already and it is possible, at any rate in the south, that rugby will be played. Rugby League.

Greyhound Racing

THE future of greyhound racing as a whole in England does not look too promising and it looks as if the Council of the Rugby League met at Manchester on September 11 to discuss the future of the game. It was decided that the League football should be played and that no county cup-ties may be played. It was also decided that a programme of Lancashire competition among the shire competition matches should be played on an amateur basis with a maximum of 10/- for expenses plus rail fares. Amateur matches are to continue and all amateur Leagues are to make arrangements to play matches as desired by the clubs.

More Names For International

Several more names have been received by the Hongkong Lawn Bowls Association for the Gutierrez International competition, which is expected to take place very shortly.

Latest names are: Scotland—G. Duncan (H.K.F.C.); W. Blair, J. C. H. Fender, J. S. Riddell, J. C. Aitken, W. S. Dail, W. McLeod and J. E. McWalter (P.R.C.); England—G. Perkins and E. G. Gill (P.R.C.); A. Brooksbank, W. Post (P.R.C.); Australia—W. J. Reid (H.K.F.C.); Wales—G. Davies and F. Channing (P.R.C.).

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Horse Racing

IRREPARABLE damage to the breeding industry is feared if horse racing is held up in England for the duration of the war. The War Cabinet recently stated that it was preparing for a war of three years or more, but though meetings have already been cancelled this year it is unthinkable that racing could be held up altogether for such a lengthy period. The Jockey Club has had its one strengthened by the resumption of greyhound racing in certain areas. Many race-courses are well away from industrial centres and there would be no difficulty, if it fell, in arranging fixtures for those which have not been taken over.

Lawn Bowls

Government House Team Defeated

Playing at the Kowloon Docks Recreation Club yesterday, a team from Government House was beaten 45-50. The most exciting game was that skipped by Messrs. Pegg and Brown, which was tied at 10-10, and 16-17 on the 20th, but Brown managed to score a single in the last head to tie the game. H. G. Cooper, E. Cook, S. Gray and R. Lapsley lost to W. A. Cornish, Brig. Gen. T. McLeod, J. Deakin and His Excellency, Mr. 10-10. A. Cairns, M. Ferguson, R. Morrison and J. C. Brown tied with Lt. Col. Collin, Justice Lindell, Milne and H. H. Peggs. W. Houston, C. M. S. Thom, V. Ramsay and J. Kempton beat H. Owen Hughes, J. A. Fraser, S. H. Dowell and Sir Athol MacGregor 24-9.

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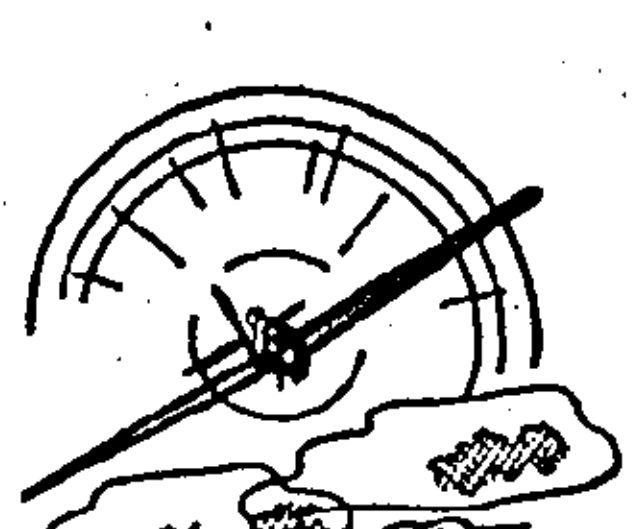
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12, Pedder Street

Telephone 28171.

PHOTONEWS



Polish soldiers photographed recently on their way to defend their country against Hitler.



MR. H. P. KROGH



Instead of representing a peaceful suburban scene this photo reveals the spot where Mr. H. P. Krogh met his death at the hands of a couple of ruthless killers in Shanghai recently. Shown above is the car which was being driven by the victim when he was waylaid by the murderers in the lane leading from his residence in Columbia Circle to the main thoroughfare of Amherst Avenue. Mr. Krogh was killed at the wheel of his car when the gunmen fired pointblank at their victim. The photo was taken shortly after Mr. Krogh had been removed in an ambulance.



Cars of the crack streamline train in which 22 persons died and 60 were hurt lie sprawled in the Humboldt River canyon near Carlin, Nev. Police are searching for plotters, who, they say, spread the rails causing a death trap.



When Nazi troops first massed on their border, Polish soldiers prepared to defend the country. This photograph shows Polish artillery being set up between Warsaw and the frontier.

THE "TELEGRAPH" will send a Staff Photographer to all events of public interest. Requests should be addressed to the Pictorial Editor.

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CONSIGNEES' NOTICE.

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Consignees are hereby informed that their goods with the exception of Opium, Treasure and Valuables are being landed and stored into the Godowns of the Hongkong Kowloon Wharf and Godown Co., Ltd., Kowloon, whence delivery may be obtained immediately after landing.

All claims must be sent in to me on or before 2nd October, 1939, or they will not be recognized.

Damaged Packages will be examined by the Company's Surveyor Messrs. Goddard and Douglas in the presence of the Consignees at 10 a.m. on Thursday, 28th September, 1939.

Consignees must have a Revenue Officer in attendance when any dutiable goods are examined by the Company's Surveyors.

No Fire Insurance will be effected by us in any case whatever.

R. OHL
Agent.

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Calcutta, Hongkong, Singapore

Canton, Hongkong, Siam

Cebu, Hongkong, Tientsin

Colon, Hongkong, Yokohama

Delhi, Hongkong, (Peking)

Hankow, Hongkong, (Peking)

Harbin, Hongkong, (Peking)

Hongkong, Hongkong, (Peking)

Kobe, Hongkong, (Peking)

London, Hongkong, (Peking)

Lyons, Hongkong, (Peking)

Manila, Hongkong, (Peking)

Marseilles, Hongkong, (Peking)

Medan, Hongkong, (Peking)

Shanghai, Hongkong, (Peking)

Singapore, Hongkong, (Peking)

Sourabaya, Hongkong, (Peking)

Tientsin, Hongkong, (Peking)

Yokohama, Hongkong, (Peking)

R. A. CAMIDGE, Manager.

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ENTRIES WILL NOT BE RECEIVED
AFTER 5 p.m. on Friday Sept. 29

The Hongkong Telegraph
NINTH ANNUAL
AMATEUR PHOTOGRAPHIC
COMPETITION
\$250 CASH \$250
PRIZES \$250

(Donated by "Hongkong Telegraph")
TWO SILVER TROPHIES, VALUED \$250
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THE ILFORD TROPHIES WILL BE AWARDED TO THE BEST
AND SECOND BEST ENTRIES IN THE COMPETITION,
IRRESPECTIVE OF CLASS.

Prizes will be allotted as follows:

SECTION ONE:

For Story-Telling Pictures.

1st. \$30. 2nd. \$15. 3rd. \$10.

SECTION TWO:

General Pictorial Section: Landscapes, Seascapes, Architectural, Street Scenes, etc.

1st. \$30. 2nd. \$15. 3rd. \$10.

SECTION THREE:

Portraits, Informal Close-ups, Human Studies.

1st. \$30. 2nd. \$15. 3rd. \$10.

SECTION FOUR:

Still Life and Table-Top Studies.

1st. \$30. 2nd. \$15. 3rd. \$10.

SECTION FIVE:

Snapshots taken by children under fourteen years.

1st. \$15. 2nd. \$10. 3rd. \$5.

RULES

The following Rules will govern the Competition:

1. The Competition is confined exclusively to amateur photographers.
2. No employee or member of any firm in the photographic trade is permitted to compete.
3. The prizes will be awarded to the competitors sending in what are adjudged to be the best photographs in each Section. Each entry must be accompanied by a form which will be published during the period of the Competition, and which must be pasted on back of entry.
4. The right to publish any or all of the entries is reserved to the Hongkong Telegraph.
5. All photographs entered must have been taken in the Colony of Hongkong. Photographs which have been already entered in other Competitions are ineligible.
6. No responsibility will be accepted for non-delivery of, loss of, or damage to entries.
7. All entries to be either black, sepia, or toned pictures and must be mounted. Coloured photographs are ineligible.
8. Pictures submitted in sepia tones should be accompanied by a smaller print in black and white.
9. No picture to be entered in more than one Section.
10. Mounts to be only white or cream, and, except in the Children's Section, must be of one of the following sizes:—10x12, 10x20.
11. No correspondence will be entered into in connection with the Competition.
12. Entries in the Children's Section must bear the entrant's name, age and address on the entry form.
13. Members of the Staff of the Hongkong Telegraph, and the South China Morning Post are not permitted to compete.
14. The decisions of the Judges shall be final.
15. As the conclusion of the Competition, entries will be returned to competitors on application at the Telegraph office within seven days.

USE THIS FORM

AND PASTE IT

ON THE

BACK OF EACH ENTRY

ENTRY FORM

SECTION

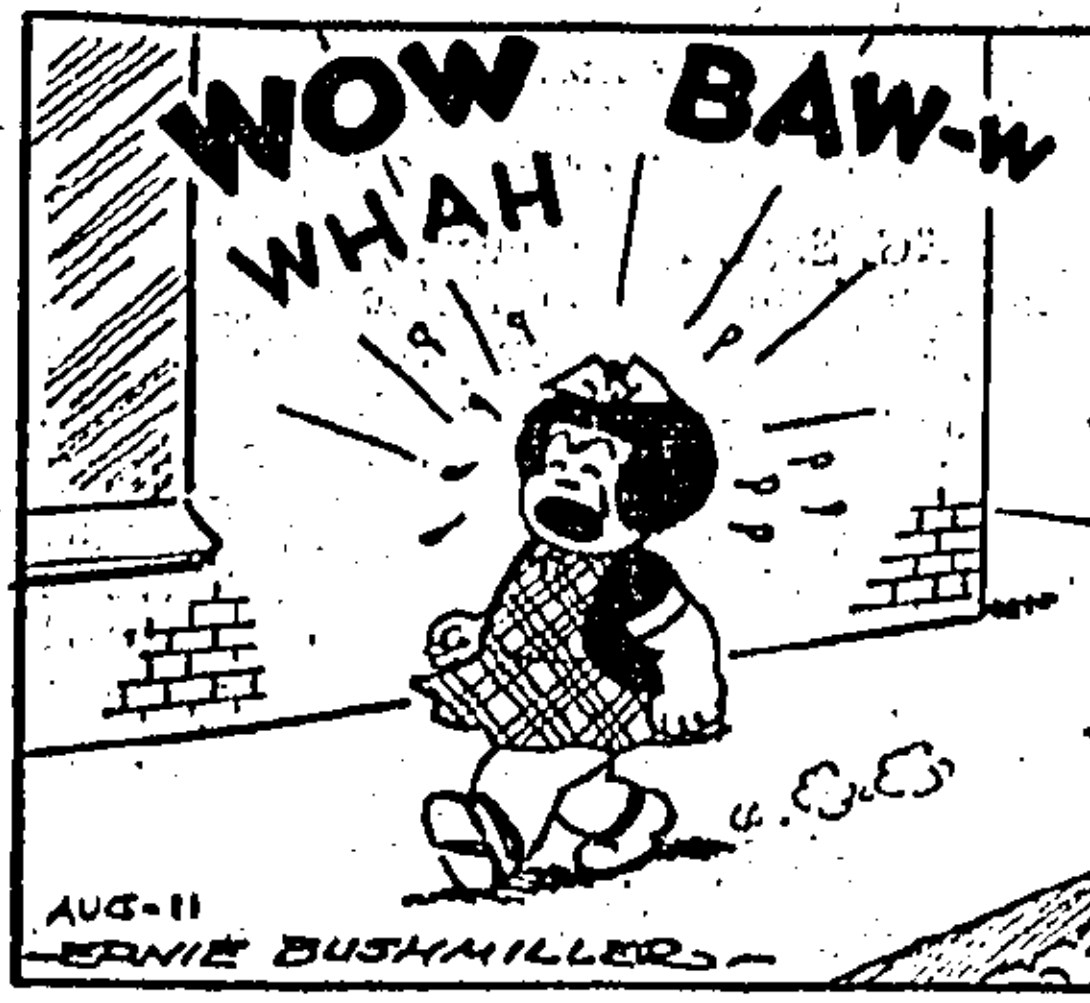
NAME

ADDRESS

DATE

Please use block letters and paste this on back of each entry if entered in Children's Section, parent please counter-sign here.

NANCY



United States Of Europe

Possibility At The End Of Hostilities

LONDON, Sept. 27 (Reuter).—In a question in the House of Commons, Government was asked if it would consider as part of possible peace terms the establishment of a United States of Europe.

Mr. R. A. Butler, Under-Secretary for Foreign Affairs, replied the Government's aim was the establishment of a stable international situation, prevention of war and a peaceful settlement of disputes.

He added that it was not desirable at this stage to commit themselves.

Mr. Butler, asked if the establishment of a United States of Europe was ruled out, replied that the possibility was not excluded.

H.K. FISHERMEN SUFFER BADLY

Property losses to the amount of over \$1,000,000 have been sustained by the Chinese fishermen in Hongkong from August 1 up to date, as a result of Japanese naval atrocities, according to information from the Hongkong Fishermen's Guild.

Altogether 58 fishing junks were either pillaged or burned by the Japanese during the period. Fishermen killed totalled 56.

High Blood Pressure Kills Men & Women

Twice as many women as men suffer from high blood pressure, which is a mysterious disease that starts about the time of change of life and is the real cause of much heart trouble and later on of stroke. Common symptoms of high blood pressure are: Nervousness, headache at top of head, dizziness, short breath, palpitation, poor sleep, loss of memory and energy, easily excited, fear and worry. If you suffer any of these symptoms, don't delay treatment a single day, because your life may be in danger. High blood pressure with the first dose, takes a load off your heart, and makes you feel years younger in a few days. Get Librium from your chemist today. It is guaranteed to make you feel fit and strong or money back.

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SEE a whole Sioux nation brim and pillage a defenseless train
SEE during bandits hold up a pay car with its thousands in gold
SEE the rough, tough life of the famous "roaring twentys"
SEE the mad dash of a rescue train across the flaming trail
SEE the terrific explosion as a giant water tower crashes on the speeding train
SEE these and a thousand more nerve-racking thrills



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with ALAN LUDWIG, ROBERT PRISTON, LYNN O'RYAN, BRIAN DONLEVY
Produced by CECIL B. DEMILLE

SATURDAY
Queen's & Alhambra

A Look Through The "Telegraph"

50 YEARS AGO

Sept. 28, 1889. For the defence of the Belgian Government is about to expend an additional sum of 30,000,000 francs. The best defence of Antwerp is in the mutual jealousies of the great Powers of Europe.

25 YEARS AGO

Sept. 23, 1914. A message from Paris states that a German aviator dropped two bombs, which hit a hotel. A soldier was killed and a girl wounded.

An official statement issued in Tokyo states that a land attack on the outskirts of Tientsin started yesterday, and continues. The Japanese casualties so far total 312.

A Zeppelin airship arrived at Warsaw at five on Saturday morning and threw two bombs, doing little damage. Subsequently the Zeppelin was shot down near the fortress of Nollin and the crew captured.

It will be remembered that, within a fortnight of Great Britain's entry into the war, news came over the wires of a great scheme which had been initiated by the Board of Trade with a view to capturing the enemy's foreign and colonial markets for British trade and commerce. The opportunity presented was a great one and it is most gratifying to see from latest Home advice that British enterprise is taking advantage of it to the full. We in this part of the world know how anxiously and persistently Germany has pushed her export trade by every means in her power. She has, indeed, captured trade which with a little more pushfulness on our part, might well have remained in British hands. And now, happily, the opportunity comes to us of getting our share back and, further, snatching from our erstwhile competitor even that which may have been regarded as more legitimately her own. The openings presented almost beggar the imagination. Now assuredly is the time for us to place our commercial superiority on an indisputably permanent basis.

10 YEARS AGO

Sept. 24, 1929. At the annual general meeting of the St. Andrew's Society at the City Hall last evening, office bearers for the year 1929-1930 were unanimously elected as follows:
President—Mr. A. H. Ferguson. Proposed by Mr. R. M. Dyer and seconded by Mr. R. E. Sutherland.
Vice-President—Mr. K. E. Greig. Proposed by Dr. Black and seconded by Mr. B. Wylie.
Secretary—Messrs. E. M. Bryden and J. S. Drummond. Proposed by Mr. A. H. Ferguson and seconded by Mr. A. H. Stevenson.
Treasurer—Mr. T. J. H. Fox. Proposed by Mr. K. E. Greig and seconded by Mr. A. Ritchie.
Committee—Messrs. A. Cameron, D. G. K. S. Morrison, Dr. J. C. MacKinnon, Messrs. A. Ritchie, A. Stevenson, P. Tod and B. Wylie.

5 YEARS AGO

Sept. 28, 1934. Yesterday, in Legislative Council, the Hon. Mr. Kewell and the Hon. Mr. Maclellan both urged upon the Government the desirability of making Hongkong attractive to a winter resort. The Hon. Mr. Thomas Southern, Colonial Secretary, in reply, reminded the Council that the advertisement of the Colony as a resort had been left to private enterprise in the past, and pointed out that since Government expenditure on this alone may be held to be necessary to increase expenditure considerably if such work were undertaken, the Colonial Secretary intimated, however, that Government would be willing to entertain any publicity scheme put forward by the Chambers of Commerce or other responsible bodies.

It is certainly true that Hongkong lacks artificial amusements. In this connection Mr. Maclellan says: "I have heard the accusation that Hongkong has 'grandmotherly regulations' which damp the exuberance of spirit concomitant with holiday-making. Unless a rather heavy fee is paid no ordinary and innocuous place of amusement can keep open its doors after midnight, and this alone may be held to cramp private enterprise in providing additional innocuous amusements for the delectation of visitors." It is true that the majority of tourists find little amusement here outside the cinema and the hotel lounges. There are great possibilities in Hongkong as a winter resort and tourists' Mecca. The Hon. Mr. Kewell and the Hon. Mr. Maclellan appreciate the fact that "it pays to advertise."

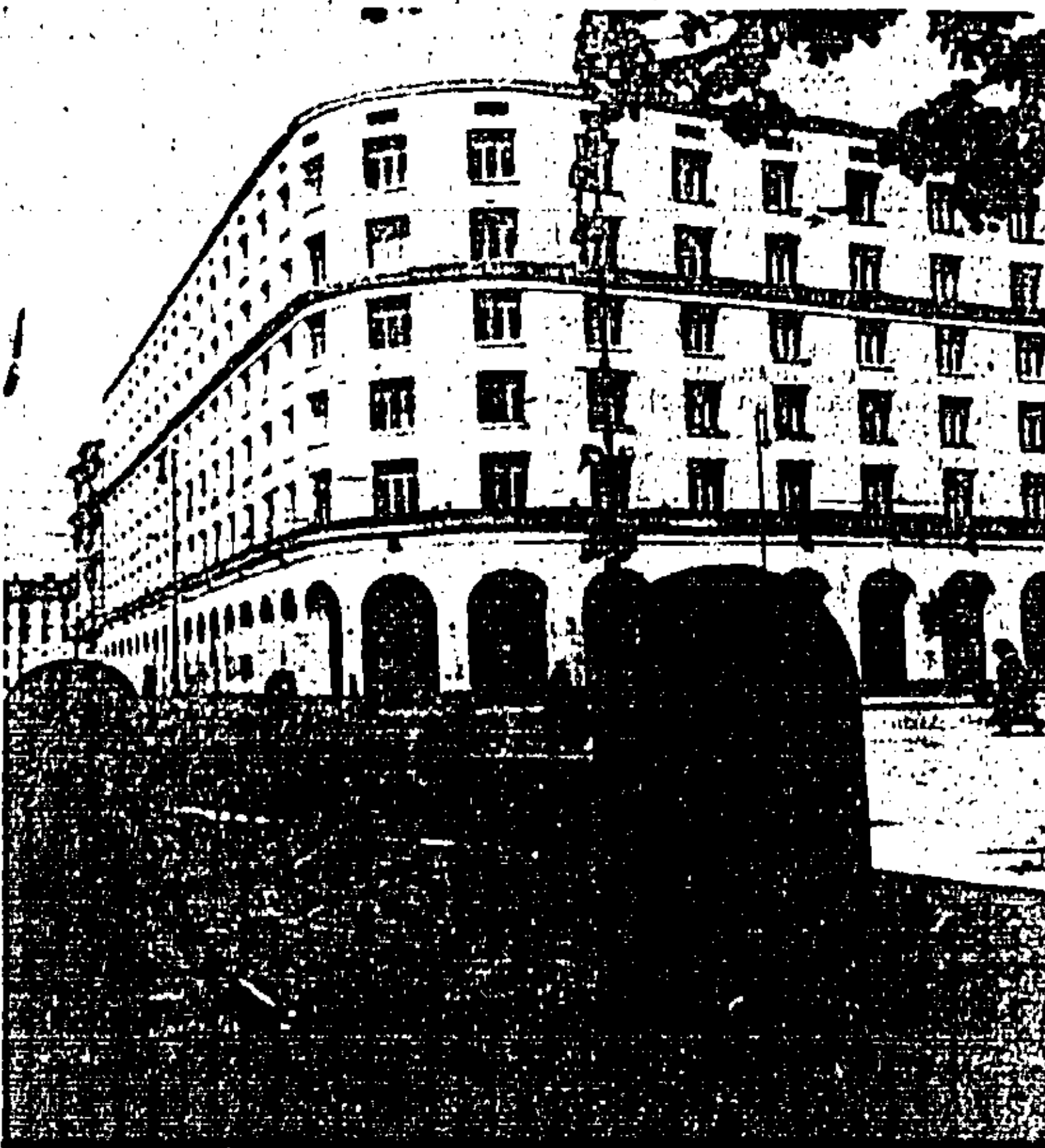
FLOOD WATERS IN TIENTSIN

SPECIAL TO THE "TELEGRAPH". TIENTSIN, Sept. 27 (UP).—The Japanese authorities have carried out their promise to rid the Japanese Concession of the flood waters before the end of the month.

Pumping operations were carried out successfully, although they were badly hampered at the beginning owing to a shortage of pumps.

The French Concession and Chinese City are practically without water and are stopping pumping during the week-end.

The British Concession, where the level is falling rapidly, is still badly flooded between Taku Road and Wel-tze Creek.



A block of modern flats in Warsaw recently built by the municipality for army officers. These flats were among many of the Warsaw buildings bombed by the Germans.

Dobbin Comes To The Fore And The War Trades Unions National Advisory Board Suggested

LONDON, Sept. 27 (Reuter).—The horse is coming back and again can be seen in the streets of Central London.

Since the war began and especially since the rationing of petrol last week, the roar of London's traffic has become fainter. Now the Minister of Transport says there is room for horses again in London.

Horses, bicycles, and traps are being bought in large numbers by people who are just beginning to realise that they can get about without a motor car.

NEUTRALS AND BOMBINGS

LONDON, Sept. 27 (Reuter).—The Government was asked in the House of Commons to-day if they would consider the formation of a neutral commission to investigate alleged bombing of civilians.

Mr. R. A. Butler said that the Government had every sympathy for the proposal, but the difficulties in a commission proceeding to the scene of the bombings were almost insuperable.

Mr. Butler was asked about the bombing of a Polish town on September 12. He replied that the British Ambassador to Poland was an eyewitness of the raid and had reported that only the headquarters of the Polish Foreign Office and the diplomatic corps were in the town when it was raided. There were no military objectives there.

WATERS OF AMERICAS

May Claim Neutrality In Half Of Oceans

PANAMA CITY, Sept. 27. (Reuter).—The Pan-American Conference is discussing the question of how far the territorial waters of the American continents shall extend.

The Cuban delegate proposed that they should be extended in the Atlantic to half way between America and Africa, and in the Pacific to half way between America and Asia.

All belligerent acts in these areas should be declared unlawful and a threat to American security.

This was the only formal suggestion that has yet been put forward, but another possibility being canvassed is the extension of American waters from 50 to 1,000 miles. This would include several British and French islands.

Neutral Patrols? Mr. Sumner Welles, the U. S. Under-Secretary of State, told the Conference that the American nations should patrol the areas decided upon and that belligerent submarines in these areas or cruising at American ports should be interned.

STOCK MARKET REPORT

Hongkong Stock Exchange official summary issued yesterday says: The hunt for cheap scrip continues, but as the prices offered are poor, response is not on any sizeable scale. The hunt being spread over a large area may lead to better conditions in the market.

BUYERS	
H.K. Wharves	\$89
H.K. Docks	\$17
Haubs	\$9
H.K. Lands	\$30
H.K. Tramways	\$15 1/4
SALES	
Union Ins.	\$305
Watsons	\$730
MANILA GOLD SHARES	
Atoka	Ps. 14 s
Antamok	Ps. 15 s
Bugulo Gold	Ps. 12 b
Batung Buhay	Ps. 6000 s
Benquet Consolidated	Ps. 920 s
Big Wedge	Ps. 16 1/2 s
Coco Grove	Ps. 11 1/2 s
Consolidated Mines	Ps. 0035 b
Demonstration	Ps. 0034 b
I.C.L.	Ps. 25 b
Ipo Gold	Ps. 09 1/2 b
Ilogon Mining	Ps. 10 s
Masbate Consolidated	Ps. 0034 s
Mindanao Motherlode	Ps. 0034 s
Mine Operation	Ps. 0034 s
North Carmines	Ps. 14 b
Paracale Gummaus	Ps. 12 b
San Mauricio	Ps. 00 s
Suyoc Consolidated	Ps. 10 b
United Paracale	Ps. 24 s

4 SHOWS DAILY 2.30-5.15 7.15-9.30

TAKE ANY TRAM OR HAPPY VALLEY BUS

ORIENTAL THEATRE

FLEMING ROAD WANCHAI TEL. 28473

EXTRA SPECIAL SHOW TO-MORROW AND SATURDAY MARVELOUS PRODUCTION OF EXCITING THRILL PICTURES!

FLOYD GIBBONS
THE
INTERNATIONAL
HEADLINE
HUNTER



PRESENTING
SENSATIONAL
TRUE
ADVENTURE
STORIES

THE SCREEN'S LATEST AND GREATEST THRILL PRODUCTION!

FLOYD GIBBONS, lightning-speed news commentator, war correspondent, author and thrill dispenser in general, has experienced more "hair-breadth escapes" than any fifty men. He has literally courted danger and his only fear is fear.

FLOYD GIBBONS, has lived on the most dangerous edges of life for more than a quarter of a century. Has been in China and Manchuria. For seven years he has been a top radio name as news commentator and Headline Hunter.

FLOYD GIBBONS has now dramatized his famous thrilling adventure stories and transferred them to the screen. Warner Bros. produced them on a lavish scale, the filming of these stories is something altogether new. In each case during the presentation of the film Mr. Gibbons introduces the persons to whom the thrilling experience actually happened.

Run down?
Easily
fatigued?
Has the doctor
ordered rest?



Your body needs these protective essentials to keep it youthfully vigorous—Vitamins A, B & C and calcium.

Latest nutritional research has discovered that TWO GLASSES OF FRESH ORANGE JUICE DAILY CONTRIBUTE TO MAXIMUM WELL BEING & DENTAL HEALTH.

Sunkist Oranges are high in these protective essentials. Look for the trade mark when you buy oranges.

Be sure that you got SUNKIST—for better flavour and juice.

FOR PERFECTION AND COOLNESS

HAVE YOUR
Summer
Wear
DRY CLEANED
THIS BETTER
WAY!

ZORIC
Odourless
Air Condition
Dry Cleaning



THE STEAM LAUNDRY CO.
Head Office & Works 57032
Hong Kong Depot, Tel. 21279. Gloucester Bldg., 2nd Flr., Tel. 28038.
Peak Depot, Tel. 20352. Kowloon Depot, Tel. 58245.

FIRESTONE CHAMPION TIRE

Structural feature incorporated in the new Champion tire offered by Firestone Tire and Rubber Export Co., Akron, Ohio, is a new type of cord called Safety Lock.

This cord is constructed of cotton fibre, tightly twisted into strands of high tensile strength. Treated by the Firestone gum-dipping process, the cord is still further strengthened and each fibre is locked in every cord, each cord is locked in every ply and the plies are locked together to form the body of the tire. The result is a strong tire body.

Because of the stronger cord body, tread thickness has been increased without danger of separation. This feature, aided by the use of a new and tougher tread stock, is said to provide greater non-skid mileage. The tread of the Champion tire is distinguished by a gear-tooth design with six circumferential tread bars. Each tread bar has 576 sharp-edged, angled shoulders. Every revolution of the new tread brings a total of 3456 of these sharp-angled non-skid elements into play on each tire. Thus, the tread on a set of four of these tires brings a total of 13,824 non-skid angled edges in contact with the highway during one complete revolution of the wheels.

Complete line of Firestone Champion Tires are carried in stock by

GREAT ASIA CO.
301, Lockhart Road, Hong Kong.
Tel. 22700.

COUNT THE
"TELEGRAPHS"
EVERYWHERE

KINEMA

AIR-CONDITIONED THEATRE

TO-DAY ONLY AT 2.30, 5.10, 7.15 & 9.30 P.M.



For Every Man There's
A Job To Do... But Sometimes
A Woman Has To Do It!

LET US LIVE
O'SULLIVAN • FONDA • BELLAMY
ALAN BAXTER • STANLEY RIDGES • HENRY KOLKER

Latest COLOUR CARTOON "Horse on The Merry-Go-Round" 3 STOOGES COMEDY "Healthy, Wealthy and Dumb"

TO - MORROW "SUEZ" with TYRONE POWER - LORETTA YOUNG
20th Century Fox Picture

QUEENS

DAILY AT 2.30-5.15-7.20-9.30-TEL. 31453

TO-DAY & TO-MORROW

DEANNA DURBIN



Nan GREY • Helen PARRISH
3 SMART GIRLS GROW UP
CUMMINGS • WINNINGER • LUNDIGAN
A NEW UNIVERSAL PICTURE

SATURDAY CECIL B. DeMILLE'S
A Paramount Picture - "UNION PACIFIC"

STAR

HANKOW ROAD KOWLOON TEL. 57795

TO-DAY ONLY



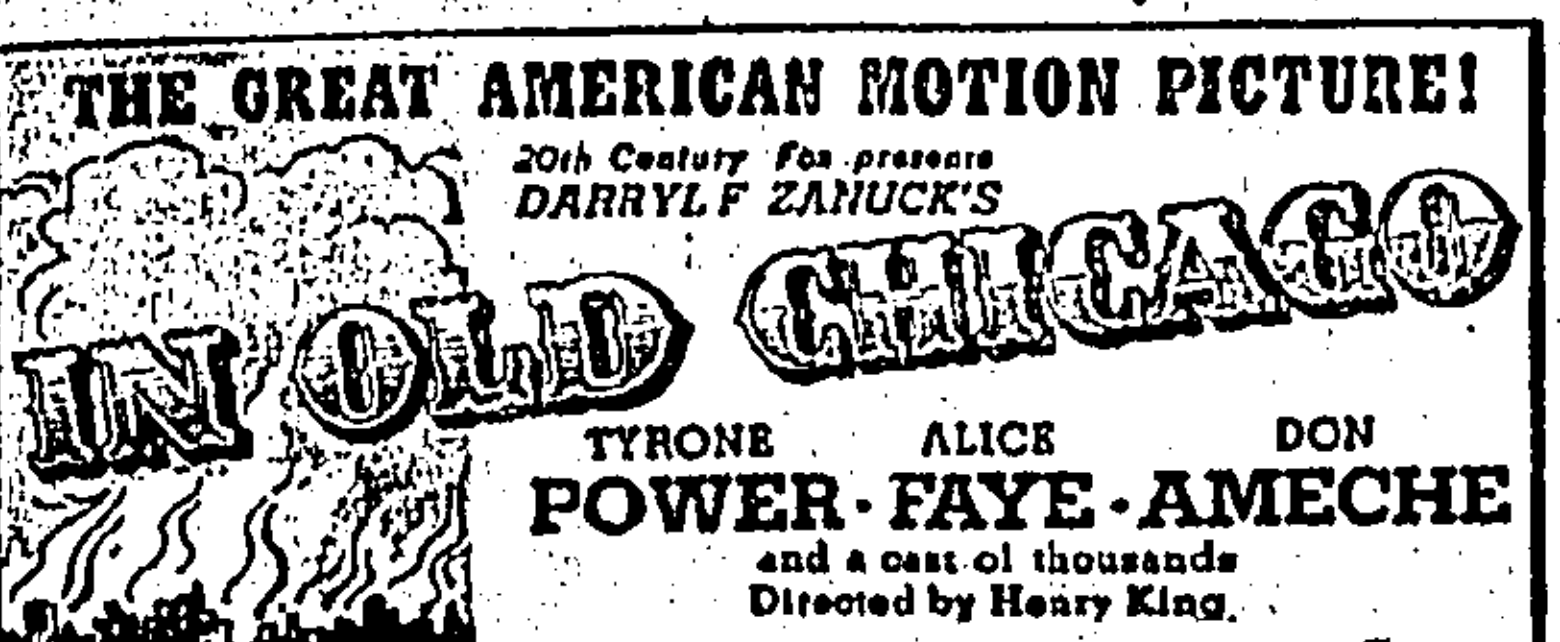
DORIS HOLLAN • GEORGE MURPHY • HUGH HERBERT • GREGORY RATOFF • GERTRUDE NIESEN • ELLA LOGAN

TO - MORROW Wallace Beery - Robert Taylor
MGM Picture in "STAND UP AND FIGHT"

CATHAY

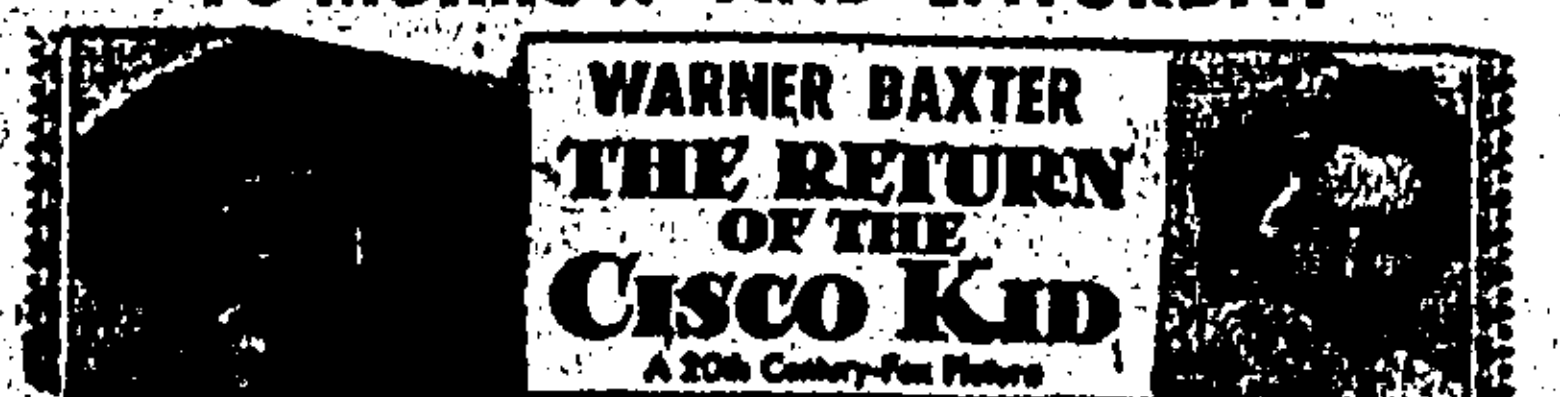
TAKE ANY TRAM or HAPPY VALLEY BUS.
DAILY AT 2.30, 5.15, 7.20 & 9.30 P.M.
MATINEES - 2.30, 5.15, 7.20 - EVENINGS - 7.20, 9.30

RETURN SHOWING FOR TO-DAY ONLY!
Acclaimed the mightiest spectacle that ever flamed across the screen!



THE GREAT AMERICAN MOTION PICTURE!
20th Century Fox presents DARRYL F. ZANUCK'S
IN OLD CHICAGO
TYRONE ALICE DON
POWER • FAYE • AMECHE
and a cast of thousands
Directed by Henry King

TO-MORROW AND SATURDAY



WARNER BAXTER
THE RETURN OF THE CISCO KID
A 20th Century-Fox Picture

CHINESE WRECK COAL MINES

LOYANG, Sept. 28 (Central).—British coal mines at Talaos which were taken over by the Japanese recently have been completely wrecked by the miners.

Immediately after the transfer of the mines from the British interests to the Japanese, the Chinese miners commenced sabotage operations. The Japanese guard was overpowered and the mines and their surface workings were destroyed by dynamite. The miners have decamped.

This Photographer Is In Dutch

SPECIAL TO THE "TELEGRAPH" BATAVIA, Sept. 27 (UP).—A Dutch press photographer, employed by a local petroleum concern to take aerial photographs in Dutch New Guinea, was not noticed when he photographed the Australian Naval Base at Port Moresby, Papua. He later tried to sell the photographs to the Japanese Consul General at Batavia.

The photographer has been expelled from the East Indies and is returning to Holland, where the matter will be further investigated.

Germany Apologises To Netherlands

SPECIAL TO THE "TELEGRAPH" THE HAGUE, Sept. 27 (UP).—The German Charge d'Affaires has expressed regret in the name of the German Government, and the German Military Attache did likewise in the name of Herr Goering, in connection with yesterday's incident, when a German seaplane machine-gunned a Dutch K.L.M. Douglas plane near Heligoland.

The Germans say the incident was due to "unfortunate circumstances."

TIENTSIN ISSUE AGAIN WORTHY OF FRONT PAGE

(Continued from Page 1.)

Major G. A. Herbert, the British Consul General in Tientsin, made another effort to resume negotiations on Wednesday, when he called on the Japanese Consul General, Mr. S. Tashiro.

Major Herbert is understood to have informed the Japanese Consul General of Britain's readiness to put into effect the arrangements made at the Tokyo conversations if Japan would agree to relax the blockade of the British Concession and would guarantee the protection of lives and property of British nationals.

Mr. Tashiro is understood to have promised to transmit the British communication to his successor, Mr. Muto, who will arrive from Tokyo shortly.

SOVIET FREIGHTER TORPEDOED

(Continued from Page 1.)

Director of the Commercial Treaties Department.

Estonian Denial

TALLINN, Sept. 28 (Reuter).—The Estonian Government have issued a categorical denial that the Polish submarine which escaped from Tallinn was refuelled by the Estonian authorities.

The body of Mak Luk, a young Chinese woman, was removed to the Kowloon Public Mortuary this morning. She committed suicide by hanging herself in her hut at Takuling Village early this morning.

JAPANESE OFFENSIVE

Conflicting Claims From N. Hunan

CONFLICTING claims are made regarding the big Japanese offensive now under way in northern Hunan.

Chinese reports claim that the Japanese who crossed the Mi River on Monday have been thrown back as a result of heavy Chinese counter-attacks.

"Central News" alleges that the Japanese are using poison gas in their operations.

Severe Chinese counter attacks have been launched on the new Japanese positions on the south bank of Tungting Lake, where the Japanese effected major landing last week. Ten Japanese transports have entered the lake from the Yangtze River with heavy reinforcements.

The Japanese air arm is playing a considerable part in the new offensive. Ikinshih, on the south bank of the Mi River, has been heavily bombed.

A Japanese communiqué claims that a junction has been effected between the Japanese forces operating from Tungting Lake and the columns which pushed southwards across the Simshing. The converging columns are now reported to be only nine miles from the Canton-Hankow Railway.

The Japanese claim that their vanguard is now only twelve miles from Changsha, the provincial capital.

Dissolution Of French Reds

Balkan Countries Prey Of Peril

SPECIAL TO THE "TELEGRAPH" PARIS, Sept. 27 (Reuter).—The Government's decision to dissolve the Communist Party is believed in both French and Foreign diplomatic circles to have more than an internal significance.

The step was taken when many countries in Europe and America were showing uneasiness at the advance of the Soviet army to the Carpathians, and the rapid Sovietisation of a large part of Poland.

These facts, coupled with pressure exerted by the Soviets on the Baltic States have caused a feeling of anxiety in countries of central and south-eastern Europe.

German propaganda has represented France as a prey of the Red peril. To-day the situation is reversed. The Balkan countries particularly are beginning to exchange views and to forget their differences in order to find grounds for solidarity in the face of Soviet expansion.

Red H.Q. Raided

PARIS, Sept. 27 (UP).—Executing the decree, dissolving the Communist Party, the Surete raided the headquarters of the Communist Party and affiliated organizations in Paris, placed a padlock on headquarters and seized large quantities of documents which they turned over to the authorities.

An 18-year old Chinese woman, Si Pui Yiu, of 370 Portland Street, attempted to commit suicide by jumping from one of the Mongkok ferry boats. She was rescued by Mr. Turpin of No. 1 Pratt Buildings who was aboard military launch No. 76.

The Philippines Clipper has been delayed in Manila by adverse weather in the China Sea and will not now arrive in Hongkong until tomorrow. The departure for San Francisco has been set back to Saturday.

BIG CONTRABAND SEIZURES

SPECIAL TO THE "TELEGRAPH" LONDON, Sept. 28 (Reuter).—Over 70,000 tons of goods were intercepted by the British contraband control during the week ending September 26, according to the Ministry of Information.

The figures include 23,000 tons of iron-ore, 14,000 tons of petroleum products, 7,000 tons of manganese ore, 7,000 tons of oil seeds, 6,000 tons of bauxite, and a number of consignments of foodstuffs, fibres, oil fats, cereals, rubber, chemicals, cotton wool, timber, hides and fertilisers.

The goods were detained on the ground that there was evidence they were contraband consigned to Germany.

A Paris message says that the French Admiralty announced that war contraband seized by the French navy since the beginning of the hostilities up to September 25 amounts to over 100,000 tons, including 24,000 tons of liquid fuel.

BRITAIN DOESN'T NEED AIRSHIPS

SPECIAL TO THE "TELEGRAPH" LONDON, Sept. 28 (Reuter).—Replying to a question on airships in their relations to anti-submarine warfare, Mr. Winston Churchill stated in the House of Commons to-day that the Admiralty built over 200 airships during the last war, but except for useful patrol work around harbours, they were otherwise of little military value.

To-day the Admiralty possessed no airships, but there was no need to replace this lack.

Stock Exchange Cheerful

SPECIAL TO THE "TELEGRAPH" LONDON, Sept. 28 (Reuter).—The London Stock exchange was cheerful to-day despite the imminence of the budget, with leading industrial shares marked up.

Gilt-edged holdings were also occasionally stronger. Home rails, however, were the best section, the main line companies recording substantial gains. Optimistic views regarding the Government's intentions.

Wall Street was firm.

BRITAIN-JAPAN

No Sign Of Resumption Of Tokyo Parley

Tokyo, Sept. 27. Asked by a foreign correspondent as to the possibility of resuming the Anglo-Japanese negotiations for a settlement of the Tientsin issue, the spokesman of the Foreign Office declared this morning that there was still no sign of possible resumption.

Questioned whether Japan has requested the British and other foreign troops to withdraw from China, the spokesman said that no suggestion nor any request has yet been made by the Japanese Government.

Shanghai Conference

Shanghai, Sept. 27. A Japanese naval spokesman stated to-day that another meeting will be held over the week-end among the commanders of foreign garrisons here when new Japanese demands in connection with the manning of the defence force will be made.

French commanding officers will also be invited to attend.

Mr. R. J. V. Everest, of the Public Works Department, has reported to the Police that an attaché case, a ration basket and clothing valued at \$27 were stolen from his motor-car, No. 4185, which was parked in Salgon Street, yesterday.

ALHAMBRA

NATHAN RD. KOWLOON DAILY AT 2.30, 5.10, 7.20 & 9.30-TEL. 55666

TO-DAY & TO-MORROW

GRANDLAND Motion Picture Corp.

presents

"THE DEVIL'S PARADISE"

with An Entire Chinese Cast

Saturday Paramount Films presents Cecil De Mille's "UNION PACIFIC"

ORIENTAL

THEATRE
LAST 4 TIMES TO-DAY
A MOST THRILLING STORY OF UNFORTUNATE GIRLS!

A picture of the lives of girls condemned to what is little better than prison life, its exciting and filled with action.

London Films Presents AN ALEXANDER KORDA PRODUCTION



TWO DAYS ONLY! TO-MORROW AND SATURDAY SOMETHING NEW AND NOVEL IN MOTION PICTURES!

FLOYD GIBBONS FAMOUS "HEADLINE HUNTER"

SENSATIONAL

"TRUE ADVENTURES"

Most thrilling entertainment the screen ever produced.

MATINEES: 2.30-3.30 • EVENINGS: 7.20-8.30-9.30-10.30

MAJESTIC THEATRE

MATINEES: 2.30-3.30 • EVENINGS: 7.20-8.30-9.30-10.30

FINAL SHOWINGS TO-DAY

AN AMAZING AND FASCINATING NEW SLEUTH!

HE COLLECTS RARE STAMPS AND CLEVER MURDERERS WITH EQUAL CALM!

INSPECTOR HORNLEIGH

A new sleuth—amazing, fascinating, different!

starring GORDON HARKER and ALASTAIR SIM

HUGH WILLIAMS • STEVE GERAY

WALLY PATCH • MIKI HOOD

EDWARD UNDERDOWN

Directed by Eugene Forde

Produced by Twentieth Century Productions Ltd.

Robert T. Kane, Managing Director

Released by 20th Century-Fox

TO-MORROW, ONE DAY ONLY!

Return of one of the greatest "Old Favourites"!

WILLIAM POWELL in "THE THIN MAN"

MYRNA LOY in

A Metro-Goldwyn-Mayer Comedy-Thriller!

EMPIRE MENACED, SAYS AUSTRALIAN PREMIER

CANBERRA, Sept. 27 (Reuter).—Mr. R. G. Menzies, the Australian Prime Minister, said in a radio broadcast to-day that it would be unwise to send a large expeditionary force overseas at present.

The Air Expeditionary Force, which he believed that there is a serious menace to the British Empire," he said.

He stated the conditions were different from those in 1914, when belligerents were known and there was no danger of invasion of Australia," he stated.

Printed and Published for the Proprietors by FREDERICK PERCY FRANKLIN, at 1 and 3, Wyndham Street in the City of Victoria, Hongkong.

Gordon's Special Offer in Shoes

FITTINGS

A - AA - AAA
SPECIAL DISCOUNT

of 25% off

ALL WHITE
WHITE & BROWN
WHITE & BLUE
ONLY

FOR THREE DAYS

SEPT. 28th — 29th — 30th

GORDON'S LTD.

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CLASSIFIED ADVERTISEMENTS

25 words \$2.00
for 3 days prepaid

FOR SALE.

FLOWER AND VEGETABLE SEEDS
Reliable tested and of strong
germination of best varieties for
immediate sowing. For sale at
Graca Co. 10 Wyndham Street,
Hongkong.

NAZI CLAIMS IN N. SEA ACTION

(Continued from Page 1.)

The aircraft carrier had been sunk.
The vessel, however, was damaged
in vital spots and of strong
germination of best varieties for
immediate sowing. For sale at
Graca Co. 10 Wyndham Street,
Hongkong.

The newspapers draw attention to
the fact that Britain started the war
with seven aircraft carriers in com-
mission.
"The loss of two must be considered
a vital matter for Britain's de-
fence," one newspaper exults.

Further Statement

LONDON, Sept. 27 (Reuter).—A
further announcement was made in
London late to-night in connection
with the unsuccessful Nazi air attack
on a British squadron in the North
Sea.

The announcement says that Mr.
Winston Churchill's statement in the
House of Commons was literally and
absolutely correct, and that there was
no truth in the German counter-
statement that an aircraft-carrier had
been sunk, a battleship badly
damaged, and that all the Nazi planes
returned safely to their bases.

Complete Failure

LONDON, Sept. 28 (Reuter).—The
first German mass air attack on a
British naval squadron was a com-
plete failure, and was good news to
those who said that Warships had
little to fear in an action with air-
craft.

The fact that none of our ships
was hit, and that there were not even
any casualties, proves that our capital
ships are not the easy target claimed
to be by the supporters of the aero-
plane.

Well-armed ships, says a naval
correspondent, can deal with air
bombing with comparative ease.

BIG CONTRABAND SEIZURES

SPECIAL TO THE "TELEGRAPH"

LONDON, Sept. 23 (Reuter).—
Over 70,000 tons of goods were inter-
cepted by the British contraband con-
trol during the week ending Septem-
ber 26, according to the Ministry
of Information.

The figures include 23,000 tons of
iron-ore, 14,000 tons of petroleum

NEW ADVERTISEMENTS.

ALIEN ENEMIES (WINDING UP) ORDINANCE 1914

Mr. B. Schreier.
Mr. E. Funck.
Mr. H. Fiebig.
Mr. D. von Hansemann.
Mr. B. Adamczewski.
Mr. F. Bumann.
Mr. E. W. Hildentzen.
Mr. M. Stoger.
Mr. O. Steyer.
Mr. H. Schmidt.
Mr. H. Heilmeyer.
Mr. K. F. Muller.

In all cases where the following
information has not been given to
the Liquidator concerning the
above mentioned persons it is
requested that such information
be forwarded with as little delay
as possible to the undersigned:—

- (1) Names and addresses of
Secured Creditors, together
with details of claims and
nature of security.
- (2) Names and addresses of
Unsecured Creditors, to-
gether with details of claims.
- (3) For verification purposes the
names and addresses of
Debtors, together with de-
tails of amounts due.
- (4) Names and addresses of
Banks carrying on business
together with details of any
funds remaining in their
possession or other informa-
tion which may be of use.
- (5) Names and addresses of
any storage contractors, or
other persons retaining
goods in their possession
belonging to the above, to-
gether with details thereof.

R. A. WADESON,
Liquidator.

Messrs. DEACONS.

1, Des Voeux Road Central,
Hongkong.

products, 7,000 tons of manganese
ore, 7,000 tons of oil seeds, 6,000 tons
of bauxite, and a number of consign-
ments of foodstuffs, fibres, oil fats,
cereals, rubber, chemicals, cotton
wool, timber, hides, and fertilisers.
The goods were detained on the
ground that there was evidence they
were contraband consigned to Ger-
many.

A Paris message says that the
French Admiralty announces that
war contraband seized by the French
navy since the beginning of the host-
ilities up to September 25 amounts
to over 100,000 tons, including 24,000
tons of liquid fuel.

G. R.

PARTICULARS & CONDITIONS
of the Sale by Public Auction
to be held on Monday, the 2nd
day of October, 1939, at 3 p.m.,
at the Office of the Public
Works Department, by Order of
His Excellency the Governor of
one Lot of Crown Land at Wong
Nei Chung, in the Colony of
Hong Kong, for a term of 75
years, with the option of renewal
at a Crown Rent to be fixed by
the Surveyor of His Majesty the
KING, for one further term of
75 years.

Intending bidders are advised
that immediately after the dispo-
sal of the lot the Purchaser (if
not the applicant) will be required
to deposit with an authorised
officer who will be present at the
sale, the sum of two hundred
dollars, (\$200) in cash. This sum
will be refunded on payment of
the Purchase price.

PARTICULARS OF THE LOT.

No. of Sale	Regulatory No.	Locality	Boundary Measurements	Contents	Area	Approx. Price
1	3523	Wong Nei Chung, Ma Tau Chung	N. 100 ft. E. 100 ft. S. 100 ft. W. 100 ft.	19,420 sq. ft.	1.289	\$3,420
2	3524	Wong Nei Chung, Ma Tau Chung	N. 100 ft. E. 100 ft. S. 100 ft. W. 100 ft.	19,420 sq. ft.	1.289	\$3,420

G. R.

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to be held on Monday, the 2nd
day of October, 1939, at 3 p.m.,
at the Office of the Public
Works Department, by Order of
His Excellency the Governor of
one Lot of Crown Land at Ma
Tau Chung, in the Colony of
Hong Kong, for a term of 75
years, with the option of renewal
at a Crown Rent to be fixed by
the Surveyor of His Majesty the
KING, for one further term of
75 years.

Intending bidders are advised
that immediately after the dispo-
sal of the lot the Purchaser (if
not the applicant) will be required
to deposit with an authorised
officer who will be present at the
sale, the sum of two hundred
dollars, (\$200) in cash. This sum
will be refunded on payment of
the Purchase price.

PARTICULARS OF THE LOT.

No. of Sale	Regulatory No.	Locality	Boundary Measurements	Contents	Area	Approx. Price
1	3523	Wong Nei Chung, Ma Tau Chung	N. 100 ft. E. 100 ft. S. 100 ft. W. 100 ft.	19,420 sq. ft.	1.289	\$3,420
2	3524	Wong Nei Chung, Ma Tau Chung	N. 100 ft. E. 100 ft. S. 100 ft. W. 100 ft.	19,420 sq. ft.	1.289	\$3,420

Auctioning Enemy Goods

But Bargain-Hunters Display Shyness

A further quantity of enemy
property, comprising household
goods of every description was
auctioned by Messrs. Lammert
Bros., this morning, by instruc-
tions of the Liquidator, at No.
5 Basilea, Lyttleton Road.

Only a small gathering of bargain
hunters attended, and the entire
goods, comprising bedroom and
dining room furniture, crockery and
tea-sets, realised between \$800 to
\$700.

The best price obtained was \$53
for a carved blackwood bookcase
and chest combined, while a Ward
ice chest was knocked down for
\$33.50. A large tank side board
brought in \$10, while two teak bed-
steads and mattresses were sold for
\$7 each.

The best buy of all was a set of
rattan furniture comprising nine
pieces, a sun blind, and a stool,
which was sold for a dollar, while
three framed pictures, including one
of Hitler, went for fifty cents.

The Philippines Clipper has been
delayed in Manila by adverse
weather in the China Sea and will
not now arrive in Hongkong until
to-morrow. The departure for San
Francisco has been set back to
Saturday.

G. R.

PARTICULARS & CONDITIONS
of the Sale by Public Auction
to be held on Monday, the 2nd
day of October, 1939, at 3 p.m.,
at the Office of the Public
Works Department, by Order of
His Excellency the Governor of
one Lot of Crown Land at
Mong Kok, in the Colony of
Hong Kong, for a term of 75
years, with the option of renewal
at a Crown Rent to be fixed by
the Surveyor of His Majesty the
KING, for one further term of
75 years.

Intending bidders are advised
that immediately after the dispo-
sal of the lot the Purchaser (if
not the applicant) will be required
to deposit with an authorised
officer who will be present at the
sale, the sum of two hundred
dollars, (\$200) in cash. This sum
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GALLANT POLISH FIGHT AT END

(Continued from Page 1.)

A 24-hours armistice is announced
in an official communique received
in Paris from the military com-
mander in Warsaw.

The communique states that the
desperate situation of the civilians,
and the tremendous damage caused,
combined with the lack of water and
the fear of epidemics.

Completely Destroyed

The capital is completely destroyed
and is still subject to incessant
artillery fire.

Water cisterns and filters have been
destroyed and it is very difficult
to give aid to the civilians, owing to
the constant bombardments.

All monuments and every single
church lie in ruins.

The state of the civilians and the
tender forced the Commander to con-
sider future decisions which will help
to avoid new losses to the Polish
population. No reply had yet been
received to the proposal.

An earlier communique mentions
that 13 German planes were brought
down to-day, increasing the number
of planes shot down in the region
of Warsaw to 100.

Earlier Message

LONDON, Sept. 27 (Reuter).—A
message received in London this
afternoon from the radio station at
Warsaw said the Polish capital had
now been destroyed and was an in-
ferno upon earth.

There was no talk of surrender but
it was announced that the water sup-
ply had been destroyed and epidemic
was feared.

The fatal situation was tragic and
the last hospital had been wrecked.
Three thousand civilians had been
killed in the last 24 hours.

German planes were still dropping
incendiary bombs and the number of
fires were increasing.

The Polish broadcast concluded
"We will never give in while of one
us is alive."

Inevitable Is Accepted

LONDON, Sept. 27 (Reuter).—After
22 days of heroic defence against
hopeless odds, Warsaw has
surrendered to the German army.

News of the surrender was con-
veyed in a radio broadcast from the
battered Polish capital, received at
6 p.m. to-day.

The message said that the de-
fenders had accepted the inevitable,
as defence could no longer be main-
tained with the whole city in ruins.

An armistice was now in progress
and the final terms of the surrender
were being discussed between re-
presentatives of the Polish and
German armies.

The terms will be honourable,
says Warsaw.

A message announcing the sur-
render said that water and electricity
supplies had been destroyed and all
public utilities had been put out of
action.

The defenders were running short
of ammunition and no early help
could be expected from the allies.

The military authorities, therefore,
had come to the conclusion that fur-
ther resistance was useless, as it
would bring with it pestilence and
disease.

History would record that no city
had ever been more gallantly defend-
ed or more ruthlessly attacked.

Warsaw's Message To Verdun
LONDON, Sept. 28 (Reuter).—One
of the last messages sent out by the
defenders of Warsaw, where the
French put up such an heroic resist-
ance to the Germans in the Great
War, was a message of encour-
agement and admiration, which he
had sent to the Mayor of Verdun.

POST OFFICE

INWARD MAILS

Bangkok, Saigon, and Tourane
Sept. 28.
Straits, Singapore, and Penang
Sept. 28.
Air Mail by "Pan American Airways"
Direct Service—San Francisco
date, 21st September.
Sept. 29.
Shanghai, Canton, and Hongkong
Sept. 29.
U. S. A., Honolulu and Japan—(San
Francisco date, 2nd Sept.) Sept. 29.
Straits and Manila Sept. 30.
Hainan Sept. 30.
U. S. A., Honolulu, Japan and Shang-
hai (San Francisco date, Sept. 30).
Sept. 30.

OUTWARD MAILS

Thursday
Shanghai, Japan, Honolulu, Canada,
U.S.A., Central and South America,
Europe via Vancouver B.C.,
Vancouver B.C., 18th October.
G.P.O. and K.P.O.
Parcels, Sept. 29, 5 p.m.
Reg., Sept. 29, 9.15 a.m.
Ord., Sept. 29, 10 a.m.
Friday
Amoy, Sept. 30, 8.30 a.m.
Port Darwin, Sept. 30, 8.30 a.m.
Tourane, Sept. 30, 8.30 a.m.
Shanghai (Parcels only), Sept. 30, 8.30 a.m.
Straits, Mauritius, Reunion, and
Madagascar, Sept. 30, 8.30 a.m.
Hainan, Sept. 30, 7 p.m.
Air Mail for Manila, Guam, Honolulu
and U.S.A., by the "Pan American
Airways Direct Service"—due San
Francisco 6th October.
K.P.O.
Reg., Sept. 29, 5 p.m.
Ord., Sept. 29, 5.30 p.m.
G.P.O.
Reg., Sept. 29, 5 p.m.
Ord., Sept. 29, 5.30 p.m.
Saturday
Dairen, Sept. 30, 8.30 a.m.
Saigon, Sept. 30, 10.30 a.m.
Hainan, Sept. 30, 2.30 p.m.
Formosa and Dairen, Sept. 30, 2.30 p.m.
Shanghai, Sept. 30, 3.30 p.m.
Manila, Sept. 30, 5 p.m.
Air Mail for "Imperial Airways"
Direct Service—due London, 8th
October.
G.P.O. and K.P.O.
Reg., Sept. 30, 5 p.m.
Ord., Sept. 30, 5.30 p.m.

H.K. Stock Market

The following quotations were
issued on the Hongkong Stock Mar-
ket this morning:

BANKS

H.K. Banks \$1,200 n.
H.K. Banks (Lon. Reg.) £.72 n.
H.K. Banks (H.K. Reg.) £.72 n.
Chartered £.63 1/2 n.
Mercantile, A. & B. £.107 1/2 n.
East Asia £.72 n.

INSURANCES

Canons \$200 n.
Union \$365 n.
China Underwriters \$14 n.
H.K. Fire \$165 n.

SHIPPING

Douglases \$67 n.
Steubout \$12 n.
Indo-China, P.S. \$60 n.
Indo-China, D.S. \$30 n.
Shell (Bearers) \$127 1/2 n.
Waterboats \$8.10 n.

DOCKETS ETC.

Wharves \$100 n.
Docks \$18 n.
Providents \$420 n.
New Eng. Sh. \$105 n.
Sh. Docks, Sh. \$105 n.

MINING

Raubas \$9.0 b.
Venz. Gold \$4 n.
H.K. Mines Cts. \$6 n.

LANDS

Hotels \$4 1/2 n.
Lands \$30 sa.
Land 4% de. \$100 par.
Shal Lands Sh. \$8 n.
Humphreys \$73 1/2 n.
H.K. Realities \$42 n.
Chinese estates \$100 n.

UTILITIES

Trams \$15 1/2 b.
Peak Trams (old) \$7.40 n.
Peak Trams (new) \$3.70 n.
Star Ferry \$61 1/2 n.
N. Ferry \$22 n.
China Lights (old) \$7.80 s.
China Lights (new) \$5 n.
H.K. Electric \$50 n.
Macao Electric \$18 n.
Sundankun Lights \$21 1/2 n.
Telephones (old) \$21 1/2 n.
Telephones (new) \$7.60 n.
Tractions \$107 n.
Tractions (Pref.) \$22 n.

INDUSTRIALS

Cold. Macg. (old), Sh. \$14 n.
Cold. Macg. (Pref.), Sh. \$13 n.
Canton Ices \$1 n.
Cements \$13 n.
H.K. Ropes \$3.80 b.

STORES, &c.

Dairy Farms (old) \$20 n.
Dairy Farms (new) \$19 1/2 n.
Watson \$7.30 sa.
Lane, Crawford \$7.60 n.
Sinceres \$1.80 n.
Wing On (H.K.) \$1.41 n.
Powell, \$1 n.

COTTON MILLS

Ewo Sh. \$18.80 n.
Shal Cotton Sh. \$135 n.
Zoong Sing, Sh. \$42 n.
Wing On Textiles, Sh. \$40 1/2 n.

H.K. Entertainments

Constructions (old) \$1.55 n.
Constructions (new) \$1 n.
Vibro Piling \$8 1/2 n.
G. Bonds \$39 n.
H.K. Govt. 4% Loan \$100 n.
H.K. Govt. 3 1/2% Loan \$98 n.
Maramans (Lon.) \$107 n.
Maramans (H.K.) \$107 n.

A Look Through The "Telegraph"

50 YEARS AGO

Sept. 28, 1889.
For the defence of Antwerp the
Belgian Government is about to expend
an additional sum of 50,000,000 francs.
The best defence of Antwerp is in the
mutual jealousies of the great Powers
of Europe.

25 YEARS AGO

Sept. 28, 1914.
A message from Paris stated that a
German aviator dropped two bombs,
which hit a hotel. A soldier was killed
and a girl wounded.
An official statement issued in Tokyo
states that a land attack on the out-
skirts of Tientsin started yesterday,
and continues. The Japanese casualties
are as far total 312.

A Zeppelin alrship arrived at War-
saw at five on Saturday morning and
threw two bombs, doing little damage.
Subsequently the Zeppelin was shot
down near the fortress of Modlin and
the crew captured.

It will be remembered that, within a
fortnight of Great Britain's entry into
the war, news came over the wires of a
great scheme which had been initiated
by the House of Trade with a view to
capturing the enemy's foreign and
colonial markets for British trade and
commerce. The opportunity presented
itself to see from latest Home advices
that British enterprise is taking advan-
tage of the globe know how assiduously
at the time of it to the full. We in this
part of the world have seen a stick
with a spiked end to spear the cakes,
and then pulled them through a win-
dow. Li had several previous con-
victions.

Defendant said he stole because he
was hungry. He was sentenced to
two months' hard labour.

10 YEARS AGO

Sept. 28, 1929.
At the annual general meeting of the
St. Andrew's Society at the City Hall
last evening, officers bearers for the year
1929-1930 were unanimously elected as
follows:
President—Mr. A. H. Ferguson. Pro-
posed by Mr. R. M. Dyer and seconded
by Mr. R. Sutherland.
Vice-President—Mr. K. E. Greig.
Proposed by Dr. Black and seconded
by Mr. H. Wylie.
Secretary—Messrs. E. M. Bryden and
J. B. Drummond. Proposed by Mr. A. H.
Stevenson and seconded by Mr. A.
Stevenson.
Treasurer—Mr. T. J. H. Fox. Pro-
posed by Mr. K. E. Greig and seconded
by Mr. A. Ritchie.
General Committee—Messrs. A.
Cameron, D. Gow, K. S. Morrison, Dr.
J. C. Macquorn, Messrs. A. Ritchie, A.
Stevenson, P. Tod and B. Wylie.

5 YEARS AGO

Sept. 28, 1934.
Yesterday, in Legislative Council, the
Hon. Mr. Kotelwal and the Hon. Mr.
Mackie both urged upon the Govern-
ment the desirability of making Hong-

Exchange At A Glance

SELLING

T.T. London1/211
Demand do.1/211
T.T. Shanghai330
T.T. Singapore52 1/2
T.T. Japan105 1/2
T.T. India82 1/2
T.T. U.S.A.24 1/2
T.T. Manila49 1/2
T.T. Batavia45
T.T. Bangkok150 1/2
T.T. Saigon107 1/2
T.T. France10.60
T.T. Germany100 1/2
T.T. Switzerland100 1/2
T.T. Australia1/30

BUYING

4 m/s L/C London1/3 1/2
4 m/s D/P do.1/3 1/2
4 m/s L/C U.S.A.11.45
30 d/s India4 1/2
U.S. Cross rate in Lon.4.02
New York4.01 1/2

Stole Moon-Cakes To Appease Hunger

Seen stealing three moon-cakes
from a tea-shop in Hennessy Road
about 3 o'clock this morning, Li
Kong, 22, street cooler, was arrested
and later appeared before Mr. Forrest
at the Central Magistrate's Court.
Lamp. Baker said Li used a stick
with a spiked end to spear the cakes,
and then pulled them through a win-
dow. Li had several previous con-
victions.

Defendant said he stole because he
was hungry. He was sentenced to
two months' hard labour.

long attractive as a Winter Resort.
The Hon. Sir Thomas Southern,
Colonial Secretary, in reply, reminded
the Council that the advertisement of
the Colony as a resort had been left to
private enterprise in the past, and
pointed out that since Government car-
ried no redundant staff, it would be
necessary to increase expenditure con-
siderably if such work were undertaken.
The Colonial Secretary intimated, how-
ever, that Government would be willing
to entertain any publicly scheme put
forward by the Chambers of Commerce
or other responsible bodies.

It is certainly true that Hongkong
connection Mr. Mackie says: "I
have heard the accusation that Hong-
kong has 'grandmotherly regulations'
which damp the exuberance of spirit
concomitant with holiday-making. Un-
less a rather heavy fee is paid no or-
dinary and innocuous place of amuse-
ment can keep open its doors after
midnight, and this alone may be held
to cramp private enterprise in providing
additional, innocuous amusements for
the detestation of visitors." It is true
that the majority of tourists and little
amusement here outside the cinema
and the hotel lounges. There are great
resorts and tourists' Mecca. The Hon.
Mr. Kotelwal and the Hon. Mr. Mackie
appreciate the fact that "it pays to ad-
vertise."

AS DONE NOW IN FRANCE

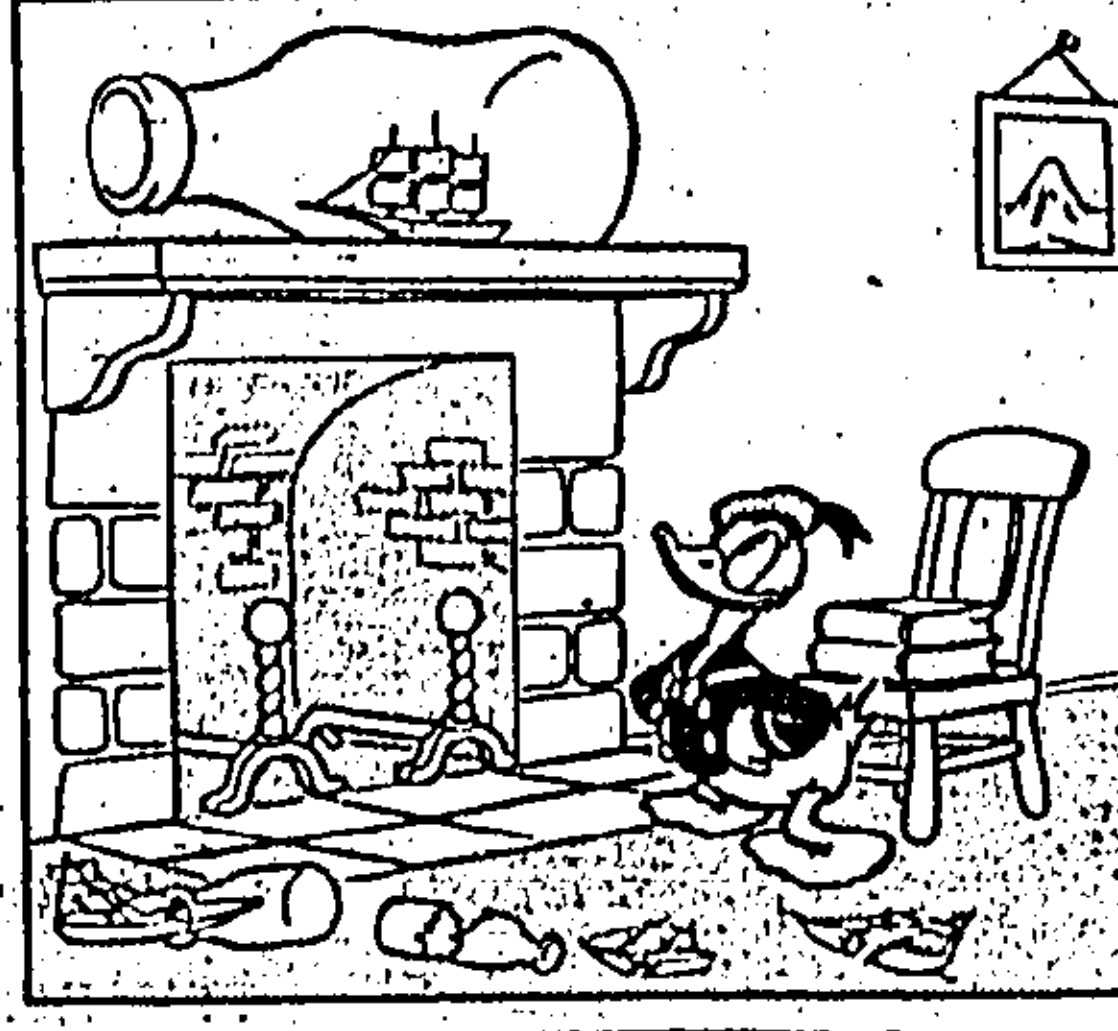
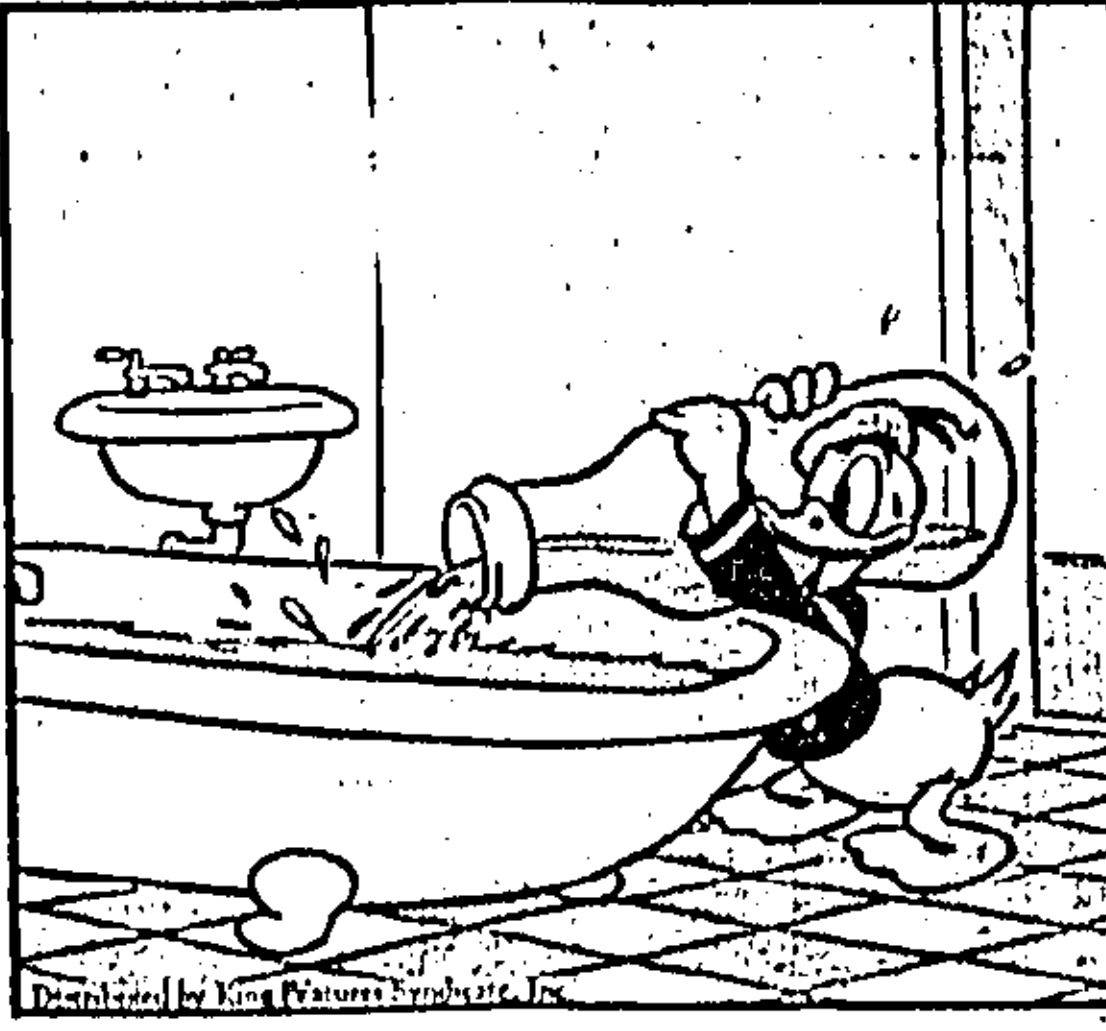
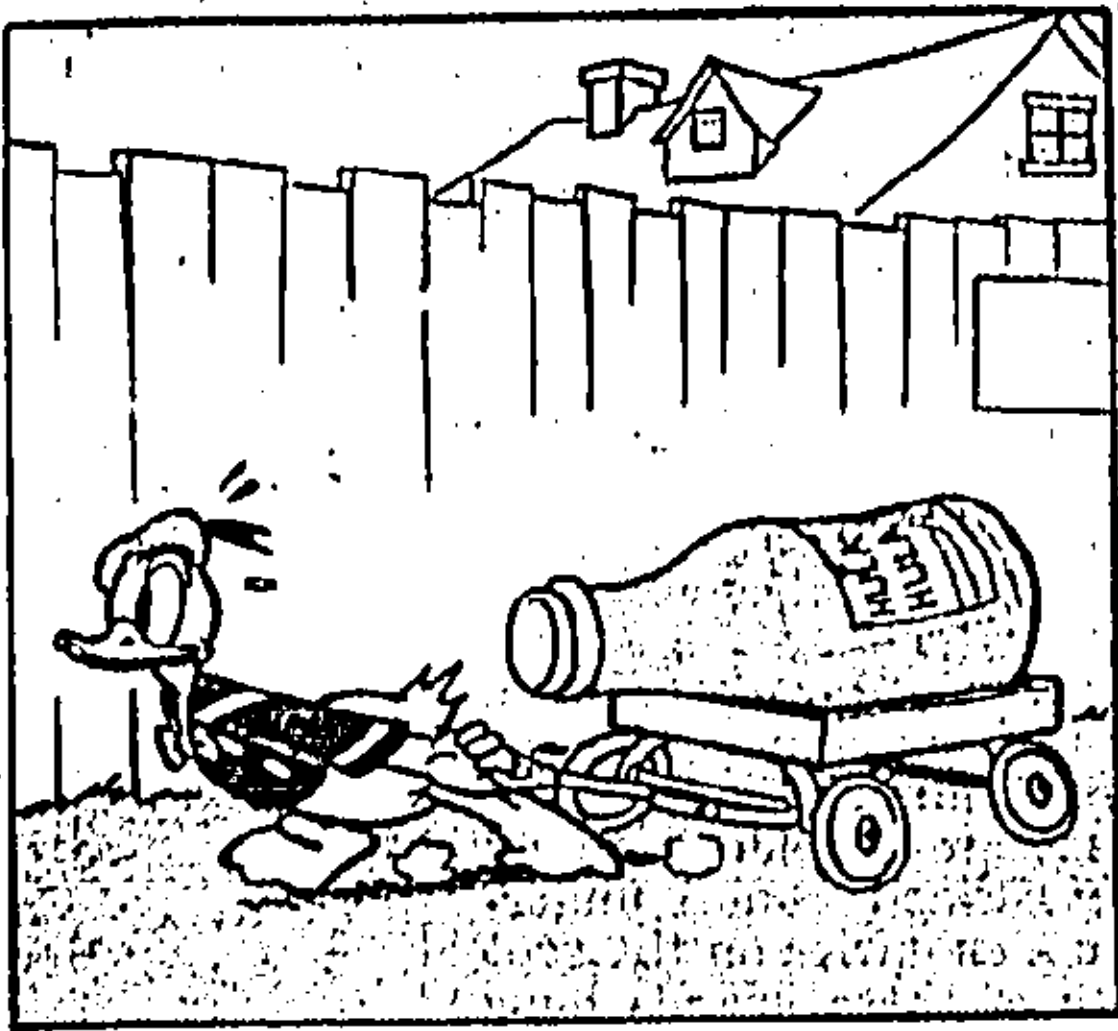
20% REDUCTION

ON ALL WATCHES

IS ALLOWED TO ALL MEMBERS OF
HONGKONG DEFENCE FORCES,
INCLUDING MEMBERS OF HONG-
KONG VOLUNTEER DEFENCE CORPS.

— AND THEIR FAMILIES

DONALD DUCK



By Walt Disney

This Week's Special

SEPT. 25th — SEPT. 30th

VEAL & HAM PIE
VEAL HAM & EGG PIE } 80 per lb.
PORK PIE

MADE IN ALL SIZES
FROM 1/2 LB. NETT.

LANE, CRAWFORD, LTD.

BRITAIN DOESN'T NEED AIRSHIPS

SPECIAL TO THE "TELEGRAPH"
LONDON, Sept. 28 (Reuter).—Replying to a question on airships in their relations to anti-submarine warfare, Mr. Winston Churchill stated in the House of Commons today that the Admiralty built over 200 airships during the last war, but except for useful patrol work around harbours, they were otherwise of little military value. To-day the Admiralty possessed no airships, but there was no need to deplore this lack.

CHINESE WRECK COAL MINES

LOYANG, Sept. 28 (Central).—British coal mines at Tsinotso which were taken over by the Japanese recently have been completely wrecked by the miners.

Immediately after the transfer of the mines from the British interests to the Japanese, the Chinese miners commenced sabotage operations.

The Japanese guard was overpowered and the mines and their surface workings were destroyed by dynamite. The miners have been captured.

Stock Exchange Cheerful

SPECIAL TO THE "TELEGRAPH"
LONDON, Sept. 28 (Reuter).—The London Stock exchange was cheerful to-day despite the imminence of the budget, with leading industrialists marked up. Gift-edged holdings were also occasionally stronger. Home rails, however, were the best section, the main line companies recording substantial gains on optimistic views regarding the Government's intentions.

Wall Street was firm. **New York Exchange** NEW YORK, Sept. 27 (Reuter).—Sterling made a remarkable advance from yesterday's 4.00 1/2 to close at to-day's high of 4.02 1/2.

The rise was influenced by short dealers covering, small local trade and a progressive decrease in supply, which was the major factor in the recent recovery.

The improvement coincided with the introduction of the British budget, with traders pointing out the fact that the war costs would largely be met by taxation, and the £500,000,000 war credit recently voted, which would last until March.

Meanwhile some conjecture whether Britain might not be selling for dollars some substantial deposits in foreign exchange and currency which have been received through Britons turning them in at British banks in response to the statement by Sir John Simon.

HOW THE BALTIC STATES STAND

(Continued from Page 4.)

under the leadership of the Baltic "Napoleon", General Laidoner, have given a good account of themselves in the past and would give an even better account in the future.

To Estonia's and Latvia's resistance might also have to be added that of Lithuania, with her 75,000 trained men and auxiliaries, who is bound to Estonia and Latvia in the Baltic Entente, and who would probably consider a threat to their integrity a threat to her independence as well.

These strategic considerations leave out of account, however, as pointed out to me by M. Selter, the Estonian Foreign Minister, that no small country is likely to be left on its own to resist a powerful aggressor. It will probably be lined up with a number of nations in a much larger conflict.

The attitude of the ordinary inhabitant of the Baltic States and Finland towards aggression was expressed to me in Finland as follows:

"To us, our country is everything. It is all we have. We will fight to the last man to keep it. To an aggressor Finland does not mean so much. Every German is not prepared to die for Finland."

It is this spirit, the spirit of young nations who have regained their independence after centuries of foreign domination and persecution with which an invader would have to reckon. The Baltic States and Finland would not distinguish between Russian "intervention" to guard her vital interests, or German aggression.

No country, except a Major, would alone be able to resist aggression by a Major Power. Finland, Latvia and Estonia with their proven armies and admirable fighting spirit would hope to hold out for a period ranging from one to three months against a Major Power and if that Power had also other fronts on which to fight, which they envisage would be the case, indefinitely.

AN UNRECORDED INCIDENT OF THE GREAT WAR

(Continued from Page 4.)

Went we lost sight of him I began to worry about my gear but we were very lucky we went back and found it in about two hours.

Having retrieved their gear, they were not content to go home without making another attempt to intercept the submarine.

So I got the gear, spliced the warp and shot with our head to catch to see if we could meet him coming down again but no luck. All I can say we must thank our gunner (James L. Hughes) for being a good marksman he say he owes them one they have killed three brothers of his.

Truly Skipper R.N.R.

C. B. Wright.

IF Skipper Wright is still alive—and I hope he is—he must be an old man by now, but I have no doubt, if he can get such staunch men as Tom Bowles and James L. Hughes to help him, he would still prefer to hunt submarines rather than herrings.

Trades Unions And The War

National Advisory Board Suggested

LONDON, Sept. 27 (Reuter).—The General Council of the Trade Union Congress to-day considered the question of Trade Union relations with the Ministry of Supply, and other emergency matters.

The Council decided to ask the Prime Minister to receive a deputation to discuss these questions.

RADIO

ZBW, 355 metres (845 k.c.) and 3149 metres (9,520 kilo-cycles) The Fourth Act of Verdi's "Aida"

H.K.T. 12.15 p.m. Short Service of Intercession. 12.30 Letitia Hutchinson (Vocal) at the Piano. 12.45 Jan Garber and His Orchestra.

1.0 Time and Weather. 1.03 Reginald Foort (Organ) and Rato da Costa (Piano). 1.30 Reuter and Rugby Press, Weather and Announcements. 1.45 Chopin—Concerto No. 2 in F Minor, Op. 21.

2.15 Close down. 6.0 Studio—Children's Programme. 6.45 London Relay—News Supplement. 6.50 Closing local Stock Quotations. 6.52 Sydney Gustard at the Organ. 6.52 Songs by Benjamin Gliss (Tenor).

7.15 Alfredo and His Orchestra. 7.40 Studio—Another "Musical Cocktail" by Erich Porges (Piano) (from Jimmy's Kitchen).

8.0 Time and Weather. 8.05 Variety Programme with Sophie Tucker, The Vagabond Lover and The Mills Brothers. 8.45 Studio—"The Development of Britain's Air Arm" A talk by E. I. Wynne-Jones.

9.15 London Relay—The News. 9.30 Schumann Songs. 9.45 Schumann—Sonata in D Minor, Op. 121—2nd, 3rd and 4th Movements. 10.0 Hepzibah and Yehudi Menuhin (Piano and Violin).

10.05 Huet—The Fair Maid of Perth—Suite. Sir Thomas Beecham conducting the London Philharmonic Orch. 10.23 Verdi's "Aida" Act IV. 11.0 Close down.

The Council received an invitation to meet the Minister of Labour, together with representatives of organised employers for a joint discussion next week with regard to the setting up of a national joint advisory board as suggested in the scheme proposed by the General Council.

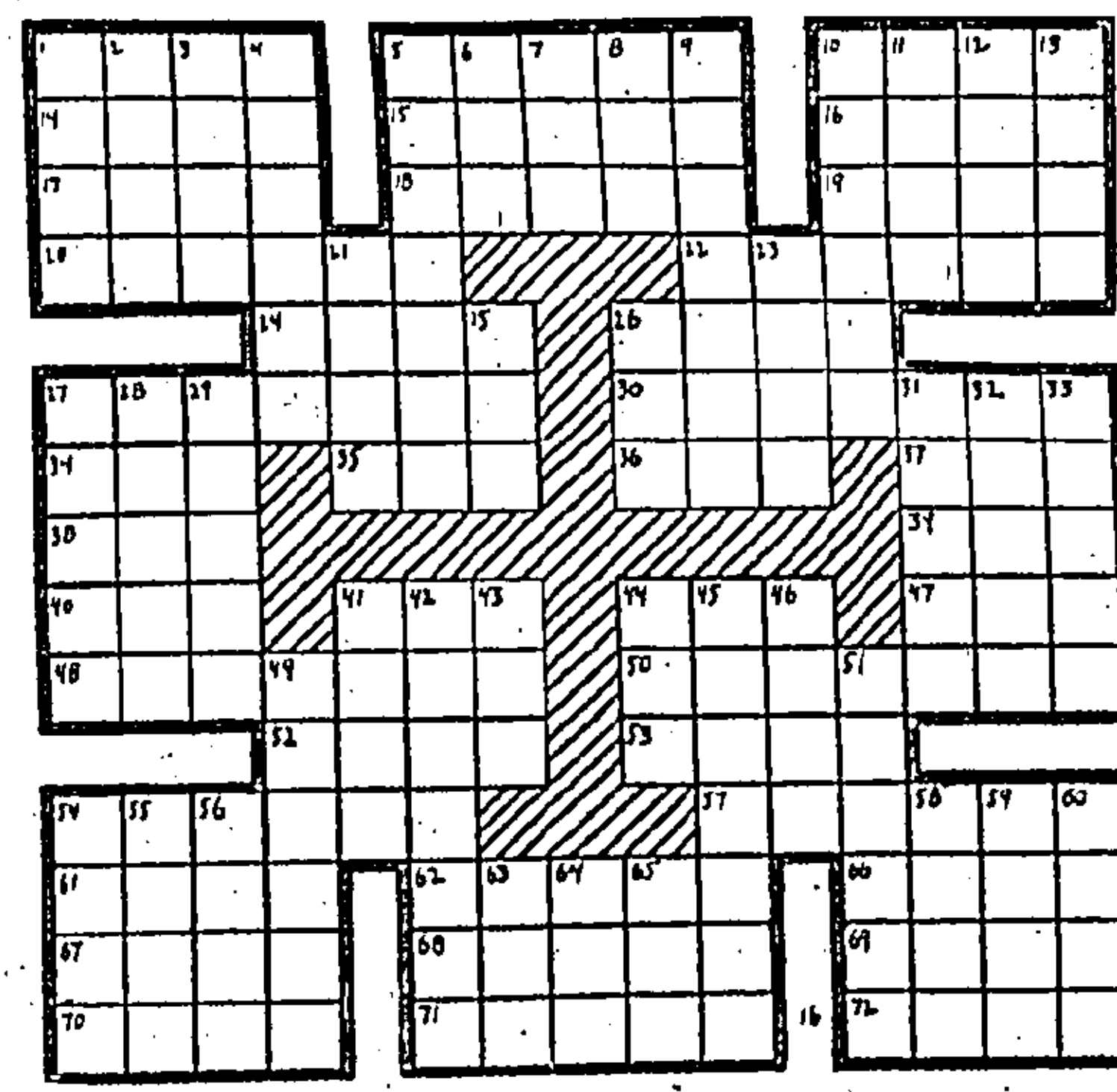
Crossword Puzzle

By LARS MORRIS

ACROSS
1—Small
2—Kind of puzzle
10—Uoana
14—Close setting of
15—Remove
16—Actual
17—Rights before
18—Mark of insertion
19—Birds found
20—Noes
21—Chimes
22—Extinct bird
23—Line of sailing
27—Misad
30—Self-punishment
34—Orange
35—None
36—Inquire
37—Zey
38—Seed holder
39—Turi
40—Achieve with difficulty
41—Coincided
42—Leverage
43—Extinct
44—Liable
45—One who villifies
46—Lipstick
47—Principal
48—Carland
49—Feathers
51—Winches
52—Pat into
53—Part in play

ANSWER TO PREVIOUS PUZZLE
1—Five
2—One who retreats
3—Period of time
4—Huntress
5—Custom
6—Long train
7—Cell framework
8—Sitting stick
9—Understand
10—Love extremely
11—Evil-smelling
12—Threat boom
13—Place in Belgium
14—Delude
15—Call out
16—Burdens
17—In the nose
18—Spore
19—Old horse
20—Horse coatings
21—Number
22—Extension
23—Jammers
24—Malice
25—Tribute of merit
26—Accusations
27—Dread coating
28—Bare
29—Excited
30—Change residence
31—Away from wind
32—Transmit
33—Read
34—Javanese ash
35—Cozy room

DOWN
1—Unclosed
2—David
3—More than



HERE COMES THE BRIDE

A lovely picture, to be sure, and how priceless in years to come.

Make an appointment to-day for your wedding pictures.

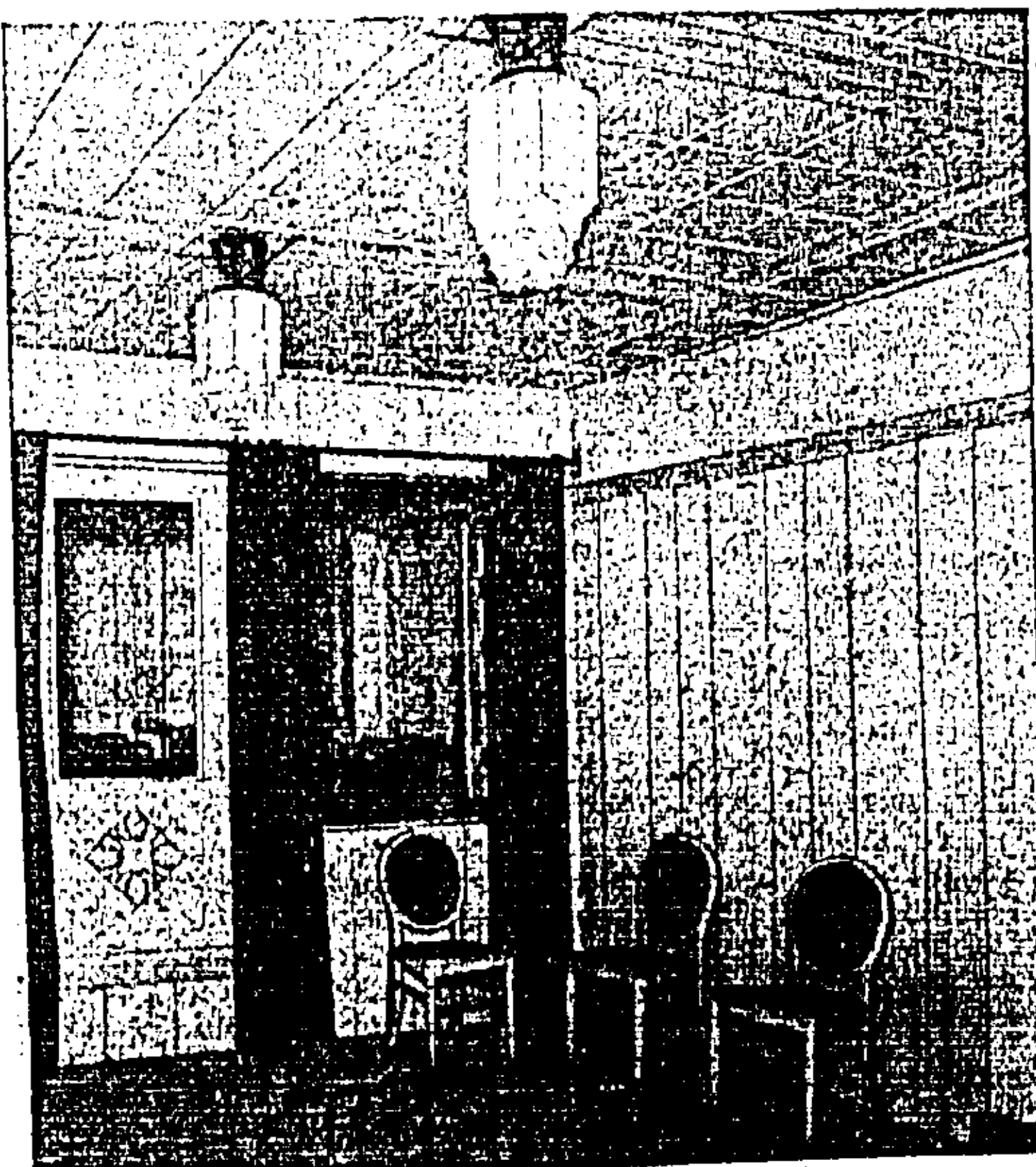
Tel. 24310.

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NO. 6, QUEEN'S ROAD CENTRAL
(Opposite the Dairy Farm's Fountain)

CELOTEX

WALLS & CEILINGS WHICH



WILL NOT CRACK OR CRAZE

CANE FIBRE INSULATION

THE CELOTEX CORP.

Stocks Carried

SHEWAN TOMES & CO., LTD.

HONG KONG

Sole Agents

CANTON

PICTURESQUE

describes our range of

NEW AUTUMN FELTS



You may not have money to spend lavishly but whatever you have to spend you will spend wisely in the purchase of one of these smart felts.

In all the new shades.

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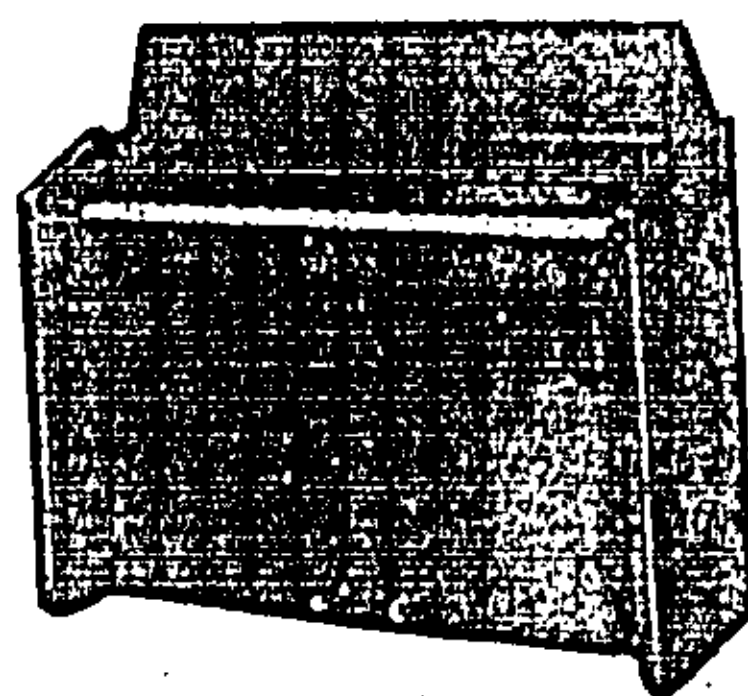
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September 28, 1939

Threat To Rumania

THE Russian threat to Rumania is of more consequence to the Allies than the possibility of an invasion of Estonia or any other Baltic State. Rumania is one of the four countries whose territorial integrity was guaranteed by Britain and France.

The background for the somewhat critical events that are now occurring in and around Rumania is mainly that country's phenomenal aggrandisement. "Greater Rumania", as it emerged from the Great War and the Versailles Peace Treaty, is more than twice as large and populous as the Rumania of early 1914, and the problems that are confronting it to-day are commensurate with its rank as one of the middle-sized states of Europe and its very strategic position on the checker-board of European diplomacy.

As a natural corollary to its tremendously increased size, there has existed for the past twenty years the problem of assimilation of non-Rumanian populations. Rumanian territorial expansion was effected at the expense of enemy countries—Austria, Hungary and Bulgaria—and of a former ally, Russia, from which it took Bessarabia. Hence, Rumania to-day is seriously concerned with maintaining the status quo. The dispute with Russia and the tension that has arisen along the Dniester River is over the annexation of Bessarabia. Rumania secured international recognition of the annexation from the Allied Powers in October, 1920—but the Soviets, from which the territory was taken, have never recognised Rumanian sovereignty. To guarantee her position, Rumania endeavoured to establish an anti-Soviet block; she formed a Polish-Rumanian alliance of mutual assistance and received guarantees from Britain and France that they would come to her assistance should her territorial integrity be violated. The pact with Poland is dead—killed, in fact, by Rumania herself, for Poland needed assistance before Rumania. The guarantees from Britain and France are almost as dead, for any assistance they could render Rumania in the event of aggression would be contingent upon Turkish co-operation in the Black Sea.

Russia is not the only neighbour who is striking matches around the powder barrel of minorities upon which Rumania sits. Hungary is implacably hostile, and will remain so until her incessant demands for revision of territory are met. There are 1,400,000 Magyars in Rumania; a minority almost as vociferous as the smaller Nazi party. In the south, Rumania jealously guards Dobruja, which faces on the Black Sea, and which Bulgaria would like to see re-incorporated within its borders. Bulgaria is not so powerful or insistent upon treaty revision as Hungary; nevertheless, there is every prospect that Bulgaria will force the issue if she believes that Rumania's hands are tied in the north.

The situation in the eastern Balkans is complex and by no means reassuring. Rumania is in much the same unhappy position as was Czechoslovakia just before the Nazi invasion last year. If Russia seizes Bessarabia, the other wolves will assuredly join in the scramble.

How The Baltic States Stand

THE BALTIC STATES are jittery.

There have been all sorts of rumours this week of impending Soviet military action, of ultimatums and demands, and of concentrations of troops.

Russia has long had her eyes on the small Baltic States. Not that they are rich, or that they themselves constitute a threat to Bolshevism.

But, to Russia, they are of the greatest strategic importance. Russia's frontiers are vulnerable mainly from this quarter.

That is why, in the negotiations with Britain before the signing of the Russo-German Non-Aggression Pact, Russia sought British guarantees for the Baltic States. Russia fears that Germany might one day use the territory of Finland, Estonia or Latvia as a base of operations against her.

Finland, through her control of the Gulf of Finland, is in a position to render the passage of the Russian Fleet into the Baltic very precarious. It is not more than one hour's steaming from one side of the Gulf to the other.

Russia's vital single track railway from Leningrad to her only permanently ice-free port, Murmansk, runs almost parallel with the Russo-Finnish frontier. The White Sea Canal, which would enable Russia in time of need to transfer her Fleet from the Baltic to the North Sea, via the White Sea, is within easy reach of planes operating from Finland.

Further, seizure of the Aland Islands by a Power hostile to Russia would not only enable the Russian Fleet to be bottled up in its harbours but would enable the use of the Great Arctic Highway, an excellent motor road, running from Tornea in the north of the Gulf of Bothnia to Petsamo, near Murmansk, for military operations against this vital Soviet Naval Base.

An aggressor, seeking to use Finnish territory as a base for operations against Russia, would doubtless seize the Aland Islands as a first objective, and the non-fortification of those islands by Finland renders them an easy prey.

FINNISH generals with whom I have spoken consider the Aland Islands in their present defenceless state to be the weakest point in Finland's ability to resist an aggressor, and it is for this reason that Finland desires so ardently their fortification.

Paradoxically enough, it is Russia who objects to the fortification of these islands. The reasons which lead Russia to prefer islands vital to Finnish integrity to remain defenceless are known only to students of Kremlin inner circles. Finland cannot understand Russia's attitude, suspects her motives and, it is considered in competent circles in Helsinki, will soon fortify Aland, with or without Russian permission.

CONTROL of the Aland Islands by a Power hostile to Russia does not necessarily mean control of Finland, although some of Finland's most important railways, from Helsinki to Abo and Nystad would be within artillery range of the islands.

Finland relies above all for her coastal defence on the immense fortifications constructed by the Russians in pre-war years—fortifications which it would be beyond the power of Finland's purse to construct herself.

The chief of these are on the island of Makellot west of Helsinki, from which 12 guns control the narrowest point of the Gulf of Finland opposite the Estonian capital of Tallinn. Numerous

other islands in the Gulf are also fortified, notably Sveaborg, "Key to Helsinki", where the old Russian fortifications are extremely massive and strong.

Opposite Makellot, on the Estonian side, are complementary fortifications on the islands of Aegna and Margo, between which the shipping channel passes to Tallinn.

Aircraft are forbidden to fly over these islands, but I understand from enquiries on the spot that both of these islands have also 12 guns mounted and that with the fortifications on the Finnish side they could effectively

close the entrance to the Gulf of Finland for any aggressor.

Until the Aland Islands are put in a state of defence where they could resist capture by a major Power, it is perhaps over-optimistic to talk of Finland's power to resist an expedition penetrating the Gulf of Bothnia.

Finland, however, relies above all on her miles of marsh and forest, which would render advance by mechanised force impossible at most seasons and on the excellent fighting qualities of her troops, who have been called, owing to their stubbornness, the "Serbs of the North".

Her armed forces have a peace time strength of 32,000 officers and men, but these could be considerably increased in time of war and there are in addition 160,000 men and women enrolled in the so-called Civil Guards.

ESTONIA and Latvia are less fortunately placed than Finland, as regards natural and other defences, to resist an aggressor.

Estonia could put 90,000 men in the field and has an air force of some 70 planes. Latvia has about 25,000 officers and men, a small Fleet, and trained volunteers which would bring her effective fighting forces up to 100,000.

Estonia and Latvia, however, have a military alliance, and the Estonian Commander, General Laidoner, is one of the greatest military leaders of Europe.

Both countries have extensive defence works along their frontiers with Russia, and their territory, although flat, is densely forested in parts, and admirably suited to cavalry, which is a specialised branch of both armies.

Nobody who has seen the sturdy, broad-shouldered Estonian and Latvian soldiers, looking very business-like in their khaki uniforms can doubt their fighting qualities. Numbers are in this respect perhaps no guide because in their fight for independence the Estonians and Latvians fought three armies at the same time—the Germans under von Goltz, the Baltic German landowner movement and the Bolsheviks. They emerged victorious, in spite of numerous losses.

The Latvians in pre-war days were especially sought after as recruits by the old Russian Imperial Army. Hindenburg referred to the Latvian regiments who held him up outside Riga in 1917 as the "bright stars of the Russian forces", and there is no reason to believe that their morale is worse.

On the contrary, the price promised to the Latvian and Estonian soldiers for their sacrifices in the cause of independence was the land formerly held by the German Baltic landowners. They obtained independence and the land, and today both countries are nations of sturdy frontiersmen who know the value of what they have and are prepared to fight to keep it.

I ASKED the Foreign Ministers in Finland, Estonia and Latvia the direct question: "Can you resist a powerful aggressor?"

M. Ericks, the Finnish Foreign Minister, replied with assurance: "We are quite capable of looking after ourselves."

M. Selter, the Estonian Foreign Minister, was more circumspect, as his country's more exposed position must lead him to be, but his reply left no doubt in my mind that the Estonians are prepared to put every ounce of their strength into resisting aggression from whatever source. The same may be said of Latvia.

Estonia and Latvia put their faith in mobility rather than in permanent fortifications for effective resistance. Summing up, one may say that it would be the height of folly for an aggressor to use a hostile Finland as a base for operations against Russia. The terrain is admirably suited to guerrilla tactics, even supposing the coastal defences were overcome, and Finland is in such close contact in many spheres with Sweden, that an aggressor would possibly risk the antagonism of Sweden as well.

Estonia and Latvia are not so favourably placed geographically as Finland, but their combined armies,

PLEASE Turn To Page 3.

GRIN AND BEAR IT By Lichty



"What's this I hear about you offering to give that blonde across the hall a screen test?"

AN UNRECORDED INCIDENT OF THE GREAT WAR

LAST WEEK you read in the "Telegraph" how a Grimby trawler rammed and sank a U-Boat. Here is an episode of the last war, in which a small trawler played a heroic role. If the submarine did escape on that occasion, it was certainly not the fault of Skipper Wright and his gallant crew!

By G. F. GILBERT

NOT ALL the heroic deeds performed by British fishermen during encounters with enemy submarines in the Great War have found their way into the official histories of that conflict.

Such a one I am now going to relate—or rather I will allow the chief actor in that dramatic episode of the sea, which took place in the latter part of 1917, to speak for himself. No words of mine could describe the scene as well as he does.

The very modesty with which he relates his experiences immediately stamps his story with authenticity.

Had the letter I quote been written by a man of education or carefully prepared beforehand, there might have been a doubt that the facts, if not untrue, had been exaggerated.

As it is, the simple phrases, the frequent mis-spellings and the occasional defects in grammar all go to show that the author was a man of deeds rather than words.

The letter came into my possession during the time I was serving in the Convoy Section (which worked in close conjunction with the Anti-Submarine Division) at the Admiralty.

The idea of a small fishing boat daring to attack a submarine filled me with such admiration that I made a copy of the letter which I have kept to this day.

THE writer's name was C. B. Wright. He was a Skipper (R.N.R.) and lived at 18, Prospect Road, Brixham.

The Admiralty had mounted a small gun in his boat—probably a three-pounder—and had given him a uniform and permission to fly the White Ensign. He must have been a proud man!

His letter began: "I suppose by this time you have heard we have been in action with a sub, we were fishing about fifteen miles W. by N. of Berry Head we were to windward of the fleet, about ten past four the mate saw a sub coming toward us with his head in the N.N.W. I went up the rigging with the glasses I saw what it was I could see his gun and conning tower."

In the midst of peaceful fishing, what excitement the advent of a U-Boat must have caused! You would have expected them to abandon their fishing gear

and try to escape while the going was good. But did they?

I ran down and ordered our foremast down and topsail down to make him think we were getting out our boat, we chopped our warp with buoys on it and a light in the den.

What about that for a quick thought-out stratagem! The skipper had evidently kept his wits.

I then up black pennant and up White Ensign. (He had not forgotten the rules of war.) When our Ensign got clear of our mizen our first shot was gone, just as our gunner had the second shot ready, he fired one shot it went between our main sail and mizen mast."

SKIPPER WRIGHT, probably for the first time in his life under fire, was not ashamed to admit that he had the "wind up," but, in spite of this, he finds time for a few words of reassurance to his gunner, asking him to "take it cool and steady." Nor does he forget to manoeuvre his ship into a position offering as small a target to the enemy as possible.

I thought our time had come, his letter continued, I said to our gunner now take it cool and steady and get your mark home he fired our second shot and it went straight over his deck, we saw a cloud of black smoke come from his Deck. I then told the mate (Tom Bowles) to keep our ship on and to him so he could not have such a good target at us as we were broad side on to him when he fired. I then ran down the hold to get some more ammunition but while I was there he turned with his head to the eastward.

Much to their disappointment the U-Boat, probably disdaining to waste time fighting so small a craft, went away.

The gunner called me up he said Skipper he is going away from us I said give him another the mate hard to port and brought our ship too and the gunner fired but he was out of range so we chased him (what cheek!) till he was out of sight. If I had only known we had damaged him I would have fired all shots we had on Deck but you know what it is in a time like that me and the mate had to be all over the ship in about three minutes we did not have time to start our other motor. If we could have started the other we may have kept in range with him so we could have got three or four more shots into him.

IT WAS only then that they began to worry about losing their fishing gear.

PLEASE Turn To Page 3.

Income Tax 7s. 6d. in £; 60 Per Cent. Excess Profit Tax; Capital Levy May Be Introduced: War To Be Financed By Direct Taxation of People

COLOSSAL TAXATION ANNOUNCED IN BRITAIN'S FIRST WAR BUDGET

REPRESENTING THE MOST STAGGERING BURDEN OF TAXATION EVER UNDERTAKEN BY A FREE NATION IN HISTORY, SIR JOHN SIMON'S WAR EMERGENCY BUDGET, INTRODUCED IN THE HOUSE OF COMMONS LAST NIGHT, PROPOSES STUPENDOUS INCREASES.

INCOME TAX IS TO BE INCREASED FROM 5S. 6D. TO 7S. 6D. IN THE £ STERLING.

AN ADDITIONAL SURTAX, RANGING FROM 1S. 3D. ON INCOMES OF £2,000 TO 9S. 6D. ON INCOMES OF £30,000 AND OVER, WILL BE IMPOSED;

Duty on estates of between £10,000 and £50,000 will be increased by ten per cent., and on estates of over £50,000 by 25 per cent.

BEERS AND SPIRITS

Excise duty on Beer will be increased by one penny. Duty on spirits will total 13s. 9d. a bottle.

Duty on sugar will be increased by one penny per lb.

An increase of 2s. per lb. will be imposed on tobacco.

In addition, trade and industry will have to bear an all-round excess profit tax of 60 per cent.

LEVY ON CAPITAL?

During his outline, Sir John Simon warned that the Government might be forced to apply a levy on capital.

Even with the next taxation, revenue will fall far short of war time expenditure, and several forms of loans are to be made available to the public.

Estimated expenditure up to March this year will be £2,000,000,000, which is only £695,221,000 short of the record Great War expenditure in 1917-18, despite the fact that the Empire will only have been at war for seven months.

RICH AND POOR TO PAY

LONDON, Sept. 27 (Reuter).—Sir John Simon's drastic Budget, affecting rich and poor alike, has caused an enormous impression throughout Britain, regarded as the best possible proof of the country's determination to carry out a supreme war effort.

Income-tax of 7s. 6d. in the £ is the highest since the tax was first introduced in 1798. It compares with 1s. 3d. at the start of the last war and the previous highest figure of six shillings.

The budget as a whole, writes "Reuter's" city editor, represents undoubtedly the heaviest burden ever undertaken by a free nation in history.

The budget proposes to raise about 51 per cent. of the expenditure by taxation, which is almost double the Great War's proportion, which for instance from 1915 to 1916 was 22 per cent.

The crux of the budget was Sir John Simon's statement that financing other than by taxation or loans from genuine savings must be inflation. Britain, he declared, intends to avoid this by unprecedented financial efforts.

Though the Chancellor has obviously striven to mitigate the severity of the budget during the initial stages, his main objective have been to provide machinery to bring the last penny out of the country's staying-power during a war of three years or more, if necessary.

The budget pays not the slightest heed to considerations of political popularity as indicated by the taxes on beer, sugar and the great increase on low incomes.

H.K. FISHERMEN SUFFER BADLY

Property losses to the amount of over \$1,000,000 have been sustained by the Chinese fishermen in Hongkong from August 1 up to date, as a result of Japanese naval atrocities, according to information from the Hongkong Fishermen's Guild.

Altogether 58 fishing junks were either pillaged or burned by the Japanese during the period. Fishermen killed totalled 55.

HIGHEST IN HISTORY

The new income tax is the highest in the nation's history.

The Budget proposes to raise about 51 per cent. of expenditure by taxation, which is almost double the proportion raised during the Great War.

The crux of the Budget was Sir John Simon's statement that financing other than by taxation or loans from genuine savings must be inflation. Britain, he declared, intends to avoid this by unprecedented financial efforts.

OPPOSITION SUPPORT

The Opposition, whilst reserving the right to criticise certain points, will support the Budget.

"Severe as the Budget is, it does not bring us even within the remote range of the limits of our financial strength, or the sacrifices which the people will accept as they become necessary as a means to victory," declared Sir Archibald Sinclair, leader of the Liberal Party.

Neutrality Measure Quick Approval By U.S. Senate Likely

WASHINGTON, Sept. 27 (Reuter).—The debate on the Administration's new neutrality bill for the repeal of the arms embargo may begin in the Senate on October 2.

Senator Borah, leader of the opposition to the measure, announces that his opponents could gain little time by an extended discussion in the foreign relations committee.

The committee, therefore, is expected to approve the measure promptly, and supporters are optimistic about quick Senate action.

Senate Majority

SPECIAL TO THE "TELEGRAPH"—WASHINGTON, Sept. 27 (UP).—Mr. Stephen Early, the President's Secretary, said that the Administration would refrain from any comment regarding neutrality measures.

It is apparent that the move is to forestall any charges of Executive pressure on Congress.

He also revealed that the Administration will keep all extraneous issues and business, including nominations, from Congress until the neutrality issue is settled.

Meanwhile, Administration circles claimed that 56 votes in the Senate, seven above the majority, would favour a repeal of the embargo. A "United Press" compilation placed the vote at 47 Democrats, five Republicans and one from the Independent camp of the President.

Meanwhile, friends and foes of any revision are looking radio time to carry the fight to the people. The Legislators have been deluged by thousands of letters, telegrams and postcards.

Mr. R. J. V. Everest, of the Public Works Department, has reported to the Folke that an attaché case, a rattle basket and clothing valued at \$27 were stolen from his motor-car, No. 4185, which was parked in Salgon Street, yesterday.

WATERS OF AMERICAS

May Claim Neutrality In Half Of Oceans

PANAMA CITY, Sept. 27 (Reuter).—The Pan-American Conference is discussing the question of how far the territorial waters of the American continents shall extend.

The Cuban delegate proposed that they should be extended in the Atlantic to half way between America and Africa, and in the Pacific to half way between America and Asia.

All belligerent acts in these areas should be declared unlawful and a threat to American security.

This was the only formal suggestion that has yet been put forward, but another possibility being canvassed is the extension of American waters from 50 to 1,000 miles.

This would include several British and French islands.

Neutral Patrols?

Mr. Sumner Welles, the U.S. Under-Secretary of State, told the Conference that the American nations should patrol the areas decided upon and that belligerent submarines in these areas or calling at American ports should be interned.

DISRUPTION IN EIRE TRADE

DUBLIN, Sept. 27 (Reuter).—Moving the adjournment of the Dail, Mr. de Valera said although the country was not at war the position of the community was going to be serious.

Defending the mobilisation of the army, Mr. de Valera said that it was going to prove expensive, but it was a necessary measure to maintain neutrality.

The consequences of the war were going to be felt. There was going to be a complete disruption of the ordinary methods of trade.

Regarding supplies, he said they would, have to arrange much closer co-operation with the British Government.

War Emergency Budget: Simon's Speech in Full

LONDON, Sept. 27 (Reuter).—Substantial all-round increases in direct and indirect taxation, including raising of the income-tax level to 7s. 6d. in the £, and large increases in so-called luxury articles, were announced by Sir John Simon, Chancellor of the Exchequer when he introduced the war emergency budget in the House of Commons this afternoon.

At the outset, Sir John Simon said that when he introduced the budget at the end of April he estimated the expenditure for the year would amount to £1,322,000,000.

The defence expenditure included in that vast total was at that time stated at £630,000,000.

The budget proposals were calculated to raise from revenue £942,000,000, and consequently at that time £380,000,000 was left to be borrowed within the financial year.

Before the Finance Act was passed, the figures for this year's expenditure on defence had grown to a total of £730,000,000, and the amount to be borrowed at that time came to something like £400,000,000.

Total expenditure when Parliament rose in August was £1,455,000,000, of which £502,000,000 was to be borrowed.

Peace Time Effort

These totals, vast as they were, were arrived at on the basis that we remained at peace throughout the year.

On September 3, we were at war, and a vote for credit for an additional £500,000,000 was promptly adopted.

The Chancellor said he could not guarantee this first vote for credit would be sufficient to cover all requirements up to March 31 next.

The need for a further budget as promptly as possible was self-evident as we should be facing in this financial year a total outlay of nearly £2,000,000,000.

Special Economic Problem

"The great war in which this country was engaged set for us a special economic problem; and if this is not properly faced and not boldly met, then our power to carry on the war to a victorious conclusion is gravely weakened."

Finance was sometimes said to be the fourth arm of defence. If finance failed, then the prop that sustained the whole war effort collapsed. There were two obvious ways to make the best use of productive resources—taxation and borrowing, and doubtless we should have recourse to both.

Unprecedented Scale

The Exchequer would need money on an unprecedented scale, and for that vast need over the period of war, taxation would have to make the maximum contribution.

"But it is obviously impossible that the whole of expenditure in a war like this can be provided from the proceeds of taxation. It will be necessary to supplement the provision by revenue from national defence loans on a large scale."

"It will be the duty of the private citizen to contribute to the greatest possible extent to loans when they are announced."

"When that time comes, it will be found that various types of loans will be offered."

Sir John Simon earnestly appealed to all citizens and institutions in the country to refrain from unnecessary capital expenditure and to put whatever savings they could make with a view to devoting them to the new loans issued for the prosecution of the war.

Big Sacrifices

The House would see that the emergency budget would call for big sacrifices. High as the existing 5s. 6d. income-tax rate was, it must, in the circumstances of war, be substantially increased.

Sir John Simon explained that the increase he contemplated in the rate of income-tax could not take full effect in the present year, and reductions which he felt it his duty to propose in the existing allowances could not be made operative in time for the collection due on January 1. The plan he put forward was that in the full year the standard rate of income-tax should be 7s. 6d. in the £.

During the present year he proposed that the rate should be seven shillings. This rate should be regarded as a composite rate, made up of five shillings and sixpence for the first quarter and 7s. 6d. for the other three quarters.

Income tax due by direct payment on January 1 next would be made at the seven shilling rate.

Heavy Surtax

After indicating that allowances in respect of income-tax would be reduced, Sir John Simon turned to surtax and intimated that he proposed that new surtax scales should run from 1s. 3d. on incomes of £2,000 to 9s. 6d. for incomes over £30,000. By

this means surtax would produce another £5,000,000 this year and £8,000,000 in the full year.

Announcing a further modification in estate duty, Sir John Simon said: "I now propose that in relation to deaths taking place after to-day—A voice: There will be a lot (loud laughter)—duty on estates exceeding £10,000, but not exceeding £50,000 shall be increased by the ten per cent."

The Chancellor indicated that for estates over £50,000 the increase would be 25 per cent., the yield from these increases being estimated at £6,000,000 in the full year.

Additionally, Sir John Simon proposed increases to all taxes on alcoholic liquor to take effect as from to-morrow.

There will be an additional penny on a pint of beer, and this is estimated, will produce £11,000,000 this year and £22,000,000 in the full year.

Spirits with the added duty would cost 12/6d. a bottle, and this is estimated to produce £3,500,000 in the full year.

Also there would be further additions on light wines.

Luxuries Up

Other increases include one penny a pound on fully refined sugar, two shillings a pound increase on tobacco, and 60 per cent. excess profits tax modelled on the armaments profits duty, and applied over the whole field of trade and industry.

Referring to the increase in the capital wealth of individuals during the war, Sir John Simon announced that a capital levy was being studied, but it was not practicable to apply one during the war.

The new proposals, said the Chancellor, would produce £107,000,000 this year and over £220,000,000 in the full year.

Sir John said it must not be assumed that these enormous figures were proof that there had been prodigious squandering and waste.

The truth was that the increasing complication and elaboration of machines of war and the mechanisation which accompanied the development of a military force, also greatly increased the cost.

The Chancellor gave as an instance the cost of modern aircraft, which he said was three to seven times that of a comparable type in 1918.

Sir John Simon added that by agreement with the defence Ministers, qualified and experienced business men had been recruited in order to see that the proposals for the new expenditure were framed with strict regard to the necessity of finance.

THE OPPOSITION

Government Blamed

Mr. Clement Attlee, leader of the Opposition, referring to Sir John Simon's emergency budget speech in the House of Commons, recalled the emergency budget of eight years ago, and expressed the opinion that the National Government had brought the country to the present position.

Mr. Attlee agreed that Sir John Simon was right in endeavouring to raise these large sums by taxation, and he thought the income-tax increase was right.

On no account should we defer paying for the war to a future occasion, or make future generations pay by borrowing.

He criticised the change in the children's allowance on the ground that this was not the time to discourage having children, and he urged reconsideration of the additional sugar tax.

He welcomed the tax on war profits, but thought that the best thing was to have no war profits.

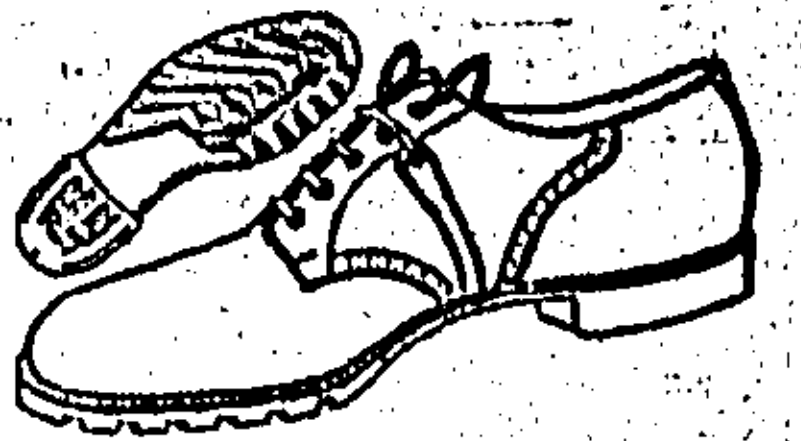
Liberal Support

Sir Archibald Sinclair, leader of the Liberal Opposition, foresaw financial burdens of almost incalculable weight, but we were going to face them, and Sir John Simon had rendered a good service by letting the country face the facts, instead of indulging in muddled and wishful thinking which had been prevalent since rearmament began.

While reserving the right to make criticism on certain points later, Sir Archibald felt that the budget, which was conceived on bold lines, deserved their support.

He asked Sir John Simon to consider the appointment of a select committee on national expenditure to check the growth of wasteful expenditure.

Severe as the budget was, it does not bring us even within the remote range of the limits of our financial strength, or the sacrifices which the people will accept as they become necessary as a means to victory, concluded Sir Archibald.



LOTUS "DORMEONE" SHOES are very old and tried favourites. They have two special features—the LOW HEEL and the "DORMEONE" STRAP.

The heel is only 3/4" high. This means that the weight of the body is thrown well back and a correct stance is enforced. Almost as good as the ideal—the barefoot stance.

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LACK OF GRIMNESS SEEN IN CRICKET BY ENGLISH WRITER

Football Association's Gift To The Army

The Football Association have decided to spend a sum up to £1,000 on footballs and football equipment for the Army. Mr. Rous, the secretary, has discussed with the C.O.C. of Home Forces the possibility of the facilities of the F.A. being utilised during the war, with special respect to their panel of coaches, trainers and masseurs. The scheme has been favourably received and the authorities are going to arrange for its administration. Already a number of clubs have offered facilities for troops to participate in recreative exercises on their grounds. The Football Association also point out that the registration of all professional players remains effective and players cannot assist clubs other than those for which they are registered.

Successful Soccer Tour Comes To End

The South China Athletic Association football team returned to the Colony yesterday morning after a very successful tour, during which they played 40 games in Java, Sumatra, Malaya and the Philippines, losing only five of them.

The team have brought back to the Colony a new member in Tan Chiu-kuen, from Medan (Sumatra), who plays a very useful game at inside-right. He is reported to be very much like Tay Quee-lung, former South China winger, in style, although more accurate in his shooting.

Financially, the tour is reported to be a success, although the international crisis had a disastrous effect on "gates" in Java, where the majority of the population avoided "big crowds." The four games in Manila were enjoyable and drew large crowds.

In their first game in which they were beaten, South China were unfortunate in that their custodian badly strained his back and was unable to hold any of the high angle drives, but for the remaining matches the team borrowed a Chinese goalkeeper from one of the Colleges and thereafter had things very much their own way.

Peer Positioning

Lee Wai-tung, China's soccer idol and Colony centre-forward, joined the team in Batavia, but did not play immediately as he was laid up for almost a week with influenza. He watched many of the games, however, and paid particular attention to newcomers, among whom Hou Yung-sang, formerly of Kwong Wah, showed up well on occasions, although still very "green" in his positioning. The rest of the South China "A" players maintained their best form while Lee Kwok-wai, former Colony Interport left-half, turned out in the full-back division in several matches and was a very useful acquisition.

Asked about the projected Philippine Far Eastern soccer tournament, Lee Wai-tung said that no concrete proposals had yet been drawn up by the Philippine Amateur Athletic Federation, nor was there any likelihood of anything being done until the international situation clears up. In any case it would have to be

Not long ago, in a club cricket match, a batsman, playing at a fast no-ball with studious care, had his wicket shattered. A deep-fielder, seeing but not hearing the batsman's ensuing remark, shouted to the bowler, "What did he say?" "He said," answered the bowler, "that he meant to miss that ball." "Oh, did he?" shouted the deep-fielder; "well, tell him from me that he's a d—d liar."

I should add, perhaps, that fielders and batsmen had not for some years been on wholly friendly terms, and to those who with a craven mildness shudder at the unmistakable directness of the fielder's observation, I suppose that the episode appears painful, even disgraceful, says an English writer. Myself, I like it. It is a bit of a shock, but in the circumstances, Dr. Grace would have enjoyed it. So would the great Lord Palmerston. It was a thrust; not a niggling prod from behind; something to arouse rage and a wholesome search for revenge, both of which are purgers of the soul.

For I have a feeling that modern cricket, with all its excellence and attraction, is in danger of losing a grandeur of combativeness, a vehemence of intent. There is sometimes too much "by your leave," too much "bad luck, I didn't want to howl you out," or "excuse that six into the road, but this is a wonderful bit of wood."

NO PARLOUR MANNERS

The fight and smell of the arena must not give place to the manners and scents of the parlour. A great cricketer, like a great boxer, in the action should be opposite—the last syllable being as in "ordite." Yorkshiremen are like this, yet there are no merrier laughers in the game. When not jumping on other teams they love, so to speak, to be a-busking in the "ordite" of the road.

I suppose that no County cricketer, sitting apart, has produced quite such grim faces on the field, and at the same time such playful eccentricities in spare time. George Macaulay, among the more artistic bowlers of the post-war years, too early lost to the game through injury, took a high place among cricket's glumers. He would outface quite strong minded batsmen, then, slumming at close short-leg, would fix an opponent with an intensely worthy of a turnkey. But, as I remember, he was a gay companion when the day was done.

W. C.'S BLACK BEARD

A professional cricketer, who for two or three years at the beginning of this century was probably the

discussed by the many Far Eastern nations.

NEW POLICE MEMBERS

Schoolboy International Included in Group

A schoolboy international, R. Hough, was one of a group of sturdy young men who arrived from Home yesterday to join the Hongkong Police Force. Hough comes from Scotland and played football for his homeland against England before he had left school.

Police circles stand to profit generally from the arrival of this batch of young men. All have played either Rugby or soccer and only C. Connolly, playing in very good class football. All but one are newcomers to Hongkong. The exception is N. Reynolds, a native of the Colony, who has been in England for seven years; before that he might have been seen on the football field with St. Joseph's College and the Central British School.

The others in the group were—J. Dempsey, I. B. Jack, J. L. Lewis, R. McInerney, K. N. McLeod, A. C. Pool, C. G. Smith, W. Todd, H. Tyler, and F. Woodhead.

greatest all-rounder in the world in a time when "stars" were so thick that the sky was a blaze of gold, recently expressed to me a doubt whether the game to-day produces so many "personallities" as when he was young. This was not just the old yearning and love for the past, for he is a shrewd and balanced judge, a lover of life, an optimist, and a helper of young cricketers. From discussion two conclusions came, first that it is mighty hard for a man to be what is called "a pacifist" unless he possesses the skill to warrant it and to set it off. For it is of little value to have "personality" if you make next to no runs, miss too many catches, and are not asked to bowl.

Indeed, it is very difficult to dissociate personality from skill. W. C. Blackbeard meant runs. So did his huge shoulders; his Marylebone cap; his left toe cocked upwards. W. I. Hammond's skill and personality are, I think, identical and inseparable. He enters the arena of administration and expectation. If he is bowled out first ball, a great presence, as well as a great innings, has been lost.

We sigh, and settle to enjoy as best we may the humdrum and the ordinary. It was so with Frank Woolley, a quiet man who wasted neither word nor gesture. "Here comes Stalky," I remember an umpire saying, as Woolley came out to bat number three. Ourselves, we never say "Here he comes!" Even quieter was J. W. Hearne, yet with greatness on him from his neat-moving feet to the tidiness of his cap. Such men are, as "personallities," more truly great than those who supplement their skill with irrelevant and eccentricities of movement, gesture, or conversation.

His second conclusion was that personality is almost absent among amateurs. The answer was easy but not true. "Yes, for the amateurs are almost absent. You played in the meridian of amateur cricket, among Ranji, C. B. Fry, H. K. Foster, R. E. Foster, A. C. MacLaren, S. B. Jackson, Lionel Paine, F. B. Jackson, Gilbert Jessop, and many more, good, if not so great. To-day you can number the amateurs that matter almost on your fingers, and of them only a few are good enough to be picked for England, and he began as a professional. Yes; there is another, but he can't get away."

FENCER BACK IN COLONY

Mr. F. J. T. Locke, Public Works Department engineer, returning to the Colony after a tour of duty in England and Europe's best men and, in happier times, might well have established a claim to a place in next year's British Olympic team. He returned to the Colony yesterday with a good fortune at the outset when he was able to meet Kabosh, present world sabre champion, in a friendly match at Budapest, and he had further trials against European fencers with epee and foil in Italy and Paris.

He was invited to represent the British School, where he received his training, in several international competitions, and always reached the finals. These were the Grave Tournament at Kingsgate Castle, the Polonia Cup Competition, the Sabre Shield for epee, the Sabre Cup, and the Nure Cup, a foil, epee, and sabre event for better quality fencers in the clubs and Services.

On his own account, Mr. Locke entered the British Open championships, Junior Open epee, and Sabre, reaching the finals in each instance.

HAIPHONG TEAM ENTERTAINED

A dinner given last night in honour of the Haiphong Football team which has played a series of matches here, attracted a large number of guests. Among those present were Mr. Chan Lan-fong, Chairman of the Eastern Athletic Association, and many of the players who have played against the visitors.

Mr. Cheung Siu-tong, Manager of the Bank of Kwangai, said recently a campaign was started to buy mosquito nets for the wounded soldiers of the Chinese Army. He had great pleasure in those who had played for the Haiphong team and the various local teams in adding the campaign. He thanked the Eastern Athletic Association and the Bank of Kwangai for making it possible for the game to be played and for the dinner the success it was. He then asked the gathering to drink a toast to the success of the Haiphong team.

Speeches were also given by Mr. L. F. Chan, Chairman of the E.A.A., Mr. V. Chan, manager of the Haiphong team, and Mr. Sammy Fung. The gathering broke up with a toast drunk for the health of the Haiphong team.

Here And There With "Abe" Home Football Not To Be Totally Affected

SOCCER at home is not to be totally affected by the war, as a cable published yesterday stated that the game will be resumed on October 14, though not in the same lines as the old professional leagues. Matches in Scotland will be run on the basis of two regional leagues, each of 10 clubs, and those in England will be on the basis of seven groups. This arrangement has been made following the recent Government order to permit football grounds and other places of entertainment in neutral and recreation areas to re-open but they must not open later than 10 p.m. This is part of the official notification issued by Mr. S. F. Rous, the F.A. Secretary: "Friendly matches at which is not anticipated a large crowd will continue to be played in areas not specified in the official list, provided sanction is first obtained from local police headquarters."

Bad Luck For Thom

NO one quite knows what is the position of season ticket-holders, who have paid in advance for the present autumn and winter. Will they get their money back? Will they be asked to wait for a refund? The action of Oldham Rugby League club in deciding not to return the £100 which they had received for season tickets before the season started has raised an interesting problem. Some League clubs have a handsome source of revenue from season tickets and really cannot afford to refund the money. For example, take Brentford. They have spent £11,000 on transfer fees and summer wages and with only one home game of £200 to recompense them will be hard hit if compelled to pay out more money. The Oldham president, Mr. J. Parkinson, said the nail on the head when he said: "We must appeal to our members to make this sacrifice. The club have had only one home game of £144 and have spent £3,000 in the last eight months on eight first-team players."

Rugby At Home

THE Scottish Rugby Union have decided to cancel all fixtures arranged for this season, but games which do not interfere with national duties or regulations may be played. The intention is to postpone the high hopes of play in Ireland. Some clubs are beginning practice already and it is possible, at any rate in the south, that rugby will be played.

Rugby League

THE Council of the Rugby League met at Manchester on September 11 to discuss wartime football. It was decided that no League football should be played and that no county matches may be played. It was also decided that a programme of Lancashire competition and Yorkshire competition matches should be arranged. These matches will be played on an amateur basis with a maximum of 10/- for expenses plus rail fares. Amateur matches are to continue and all amateur Leagues are to make arrangements to play matches as desired by the clubs.

Greyhound Racing

THE future of greyhound racing as a whole in England does not look too promising and it looks as if it will be a long time before it is back to its former glory.

Hongkong Bowlers Lose Third Interport Match

SHANGHAI, Sept. 24.—The visiting Hongkong lawn bowls players were prevented from making a clean sweep in the interport series yesterday afternoon when the local rink won convincingly by 29-10 at the Wayside Park in the last interport encounter, thus partly avenging Shanghai's last two defeats. This is the first occasion on which the visitors played on a really fast green and they were thoroughly uncomfortable. Combined with the fact that Shanghai's rink played at top form, there was little chance for the Colony side to make a better showing than they did.

There was little doubt as to the superiority of the local four throughout the game as the Hongkong players managed to score on only eight ends. Of these, seven were mere singles, but the southerners ran a three on the 14th end for their ten shots.

A short-lived advantage was forced by the visiting team on the opening end when they chalked up a single. On the following end, the local aggregation came into their own with a splendid five, and thereafter they never relinquished the leadership, increasing their margin steadily as the game progressed. The Interport sides yesterday were:—

Shanghai:—G. V. Jensen (skip), W. A. Bailey (No. 3), H. A. Ozorio (No. 2), A. McLean (No. 1).

Jul. 28/51.

Special TO-DAY PIES

MADE IN OUR MODERN BAKERY

- Veal & Ham
- Veal, Ham & Egg
- Pork

80 per lb.

In all sizes from 1/2 lb. nett.

AUSTRALIAN PORK SAUSAGES 60c. per lb.

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TUNING RANGES:

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Next Engineering term commences 2nd October. Immediate enrolment essential.

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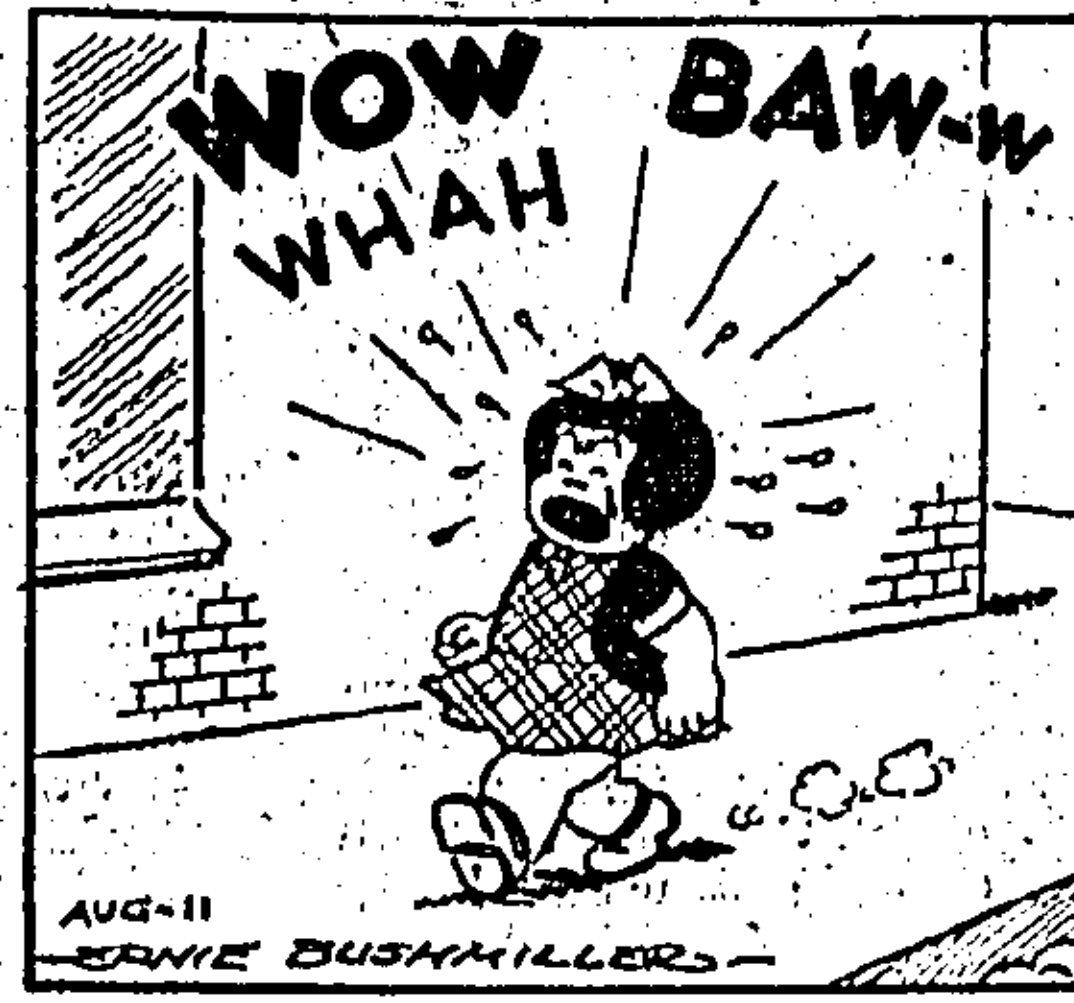
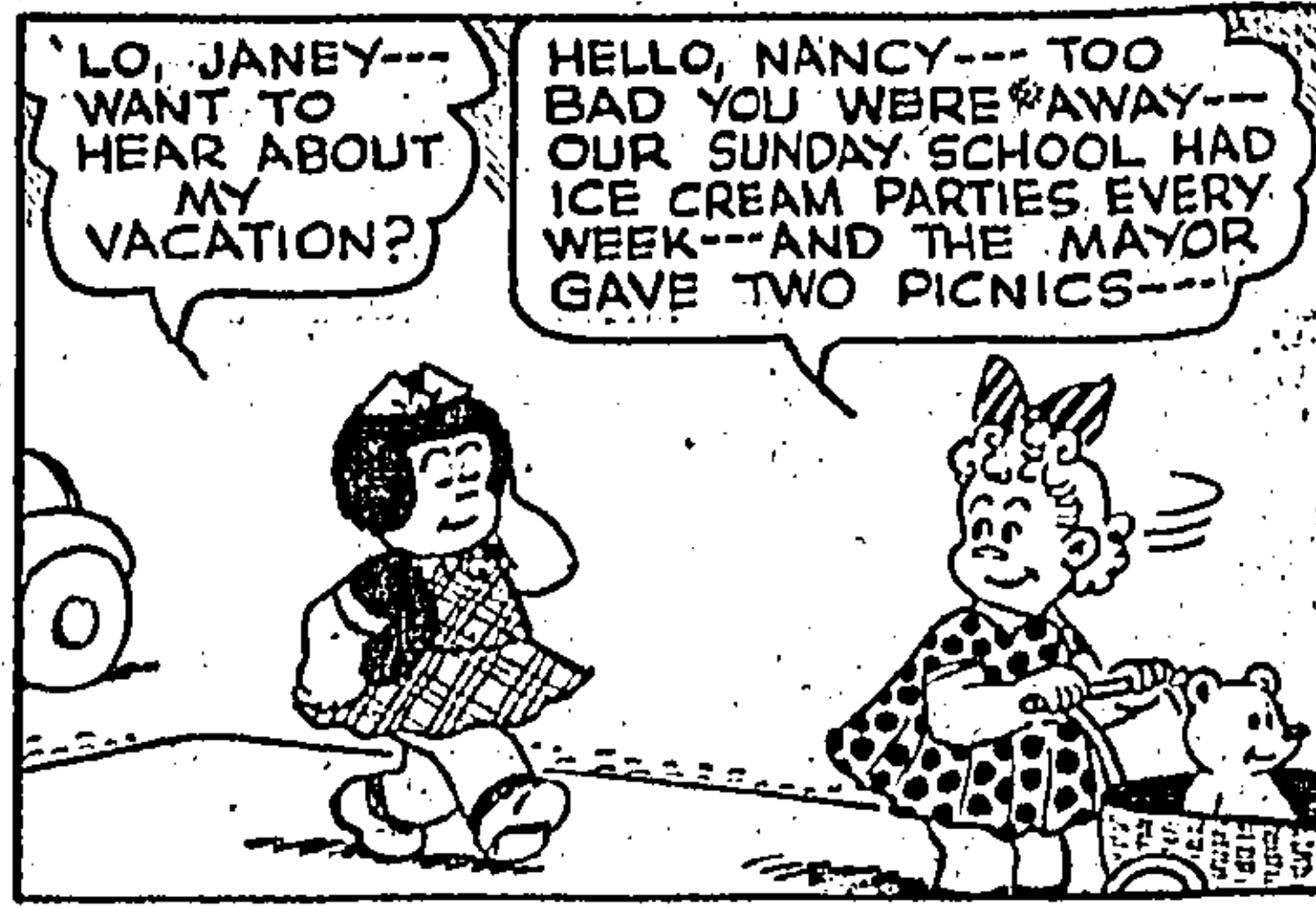
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CALDBECK MACGREGOR & CO., LTD.

NANCY

By Ernie Bushmiller



How Germany's Leaders Prepared For Defeat AMAZING EVIDENCE OF NAZI FUNK HOLES

PARIS, Sept. 27 (Reuter).—"Here is the answer to Dr. Goebbels' challenge," declares the American journalist, Mr. H. R. Knickerbocker in a signed article in the "Paris Soir," giving, in amazingly meticulous detail, an account of Nazi leaders' alleged foreign investments which total \$34,000,000.

The article closely identifies numerous agents together with the amounts they are supposed to have negotiated, and the destinations and denominations of the deposits.

Mr. Knickerbocker says that Dr. Goebbels employed three agents: Wilhelm Achterberg, representative of the Nazi publishing house of Franz Eher Verlag, deposited \$1,850,000 in the safe of a German importing firm in Buenos Aires.

Thomas Bucher, a member of Goebbels' propaganda staff, with the help of the Kreiskbank Company, deposited heavy shares worth 2,400,000 belgas in Luxembourg.

Paul von Dudenheim, a banking agent, deposited at the Osaka branch of the Nippon Ginko, Japanese currency and bills payable at sight valued at £465,000.

Insurance Details

Mr. Knickerbocker gives details of insurances on Dr. Goebbels and his wife's lives contracted through the

High Blood Pressure Kills Men & Women

Twice as many women as men suffer from high blood pressure, which is a mysterious disease that starts about the time of change of life and is the real cause of much heart trouble and later of paralysis, stroke, and other ailments.

Common symptoms of high blood pressure are: dizziness, headache, pressure in head, distention, short breath, pain in heart, palpitation, poor sleep, loss of memory and energy, easily excited, face and neck may be very red, a single drop of blood may be seen in the eye, a new medical discovery, reduces high blood pressure with the first dose, takes a heavy load off the heart, and makes you feel years younger in a few days. Get this remedy today. It is guaranteed to make you feel fit and strong or money back.

Dobbin Comes To The Fore Petrol Rationing In Britain

LONDON, Sept. 27 (Reuter).—The horse is coming back and again can be seen in the streets of Central London.

Since the war began and especially since the rationing of petrol last week, the roar of London's traffic has become fainter. Now the Minister of Transport says there is room for horses again in London.

Horses, bicycles and traps are being bought in large numbers by people who are just beginning to realise that they can get about without a motor car.

Dortmunder Union Brauerei firm in florins, dollars, belgas, Swiss francs and marks.

Mr. Knickerbocker similarly outlines other leaders' alleged investments, beginning with Herr von Ribbentrop, whose three agents, he says, include Herr Eylau, nephew of Herr Heinkel, the latter being a champagne manufacturer, and Dr. Goebbels' father-in-law.

These three, he asserts, deposited sums equivalent to \$165,000 in Dutch and Swiss banks.

Unlike the other leaders, Herr von Ribbentrop deposited none of his money in French francs, and Mr. Knickerbocker remarks that Herr von Ribbentrop always held to the Hitler ideal that a separate peace with France was possible.

Herr Ribbentrop's insurance policies, which are set forth in detail, were taken by friends in the wine trade, the writer asserts.

Goering's Investments

Field Marshal Goering's alleged clandestine investments through four named agents are then set forth, including a list of specified United States securities.

Mr. Knickerbocker asserts that Herr Ley was unlucky, for one of his agents named Rivthier was implicated in a fraud scandal and interned at Dachau. Through two other agents, Ley was able to export \$50,000 to \$60,000 a month for six months preceding the war, the majority to South America.

Dealing with Herr Himmler, Mr. Knickerbocker says that the Gestapo chief avoids banks, but he placed about \$2,000,000 in the hands of

JAPANESE OFFENSIVE

Conflicting Claims From
N. Hunan

CONFLICTING claims are made regarding the big Japanese offensive now under way in northern Hunan.

Chinese reports claim that the Japanese who crossed the Mi River on Monday have been thrown back as a result of heavy Chinese counter-attacks.

"Central News" alleges that the Japanese are using poison gas in their operations.

Severe Chinese counter attacks have been launched on the new Japanese positions on the south bank of Tungting Lake, where the Japanese effected major landing last week. Ten Japanese transports have entered the lake from the Yangtze River with heavy reinforcements.

Japanese Air Activity

The Japanese air arm is playing a considerable part in the new offensive. Hainan, on the south bank of the Mi River, has been heavily bombed.

A Japanese communiqué claims that a junction has been effected between the Japanese forces operating from Tungting Lake and the columns which pushed southwards across the Sinsiang River. The converging columns are now reported to be only nine miles from the Canton-Hankow Railway.

The Japanese claim that their vanguard is now only twelve miles from Changsha, the provincial capital.

German friends in South America, the Near East and in Finland.

Export Revelations

Mr. Knickerbocker acknowledges his indebtedness for the information to a group of experts whose privileged position in the banking and financial world enabled them, he states, to obtain precise details which are not accessible to others.

"They were not intended to be used during peace time, but now they are published at the request of Dr. Goebbels, who announced that I had fled and was unable to reply.

"It is possible Goebbels' agents saw me board the ship at Southampton last Saturday, but did not see me land."

Food For Pamphlets

SPECIAL TO THE "TELEGRAPH"

LONDON, Sept. 28 (Reuter).—Sir Edward Grigg told the House of Commons that the Minister of Information has read American press reports showing large fortunes being placed abroad by certain Nazi leaders. He is taking steps to see that these reports, and the implications of the action of the Nazi leaders, were brought to the notice of the German people.

United States

Of Europe

Possibility At The

End Of Hostilities

LONDON, Sept. 27 (Reuter).

—In a question in the House of Commons, Government was asked if it would consider as part

of possible peace terms the establishment of a United States

of Europe.

Mr. R. A. Butler, Under-Secretary for Foreign Affairs, replied the Government's aim was the establishment of a stable international situation, prevention of war and a peaceful settlement of disputes.

"He added that it was not desirable at this stage to commit themselves.

Mr. Butler, asked if the establishment of a United States of Europe was ruled out, replied that the possibility was not excluded.

An 18-year old Chinese woman,

Si Pul Yiu, of 370 Portland Street,

attempted to commit suicide by

jumping from one of the Mongkok

ferry boats. She was rescued by

Mr. Turpin of No. 1 Pratt Buildings

who was aboard military launch No. 76.

ITALIAN PLANE

RESCUED

SPECIAL TO THE "TELEGRAPH"

MALTA, Sept. 27 (Reuter).—A

British submarine and a British mili-

tary plane today went to the rescue

of an Italian commercial plane which

was forced down off Malta.

The crew and passengers of the

machine were all saved.

U-Boat Aided

In Rescue

Drama Of The Royal

Scout

RIO DE JANEIRO, Sept. 27

(Reuter).—It became known in Rio

de Janeiro today that the captain

and two seamen of the British

steamer Royal Scout, which was

torpedoed by a Nazi submarine on

September 22, were drowned.

Thirty-two survivors, who were

picked up by the British steamer

Browning, have been landed in

Brazil.

Nine of them are in hospital and

are making good progress.

It was revealed today that the

Browning was stopped in the Bay of

Biscay by a Nazi submarine U-38,

which sank the Royal Scout.

The U-boat commander gave the

crew instructions to rescue the crew

of the Royal Scout, who had been

set adrift.

The Royal Scout had aboard

10,000 tons of wheat from the Ar-

gentine to England.

NEUTRALS AND

BOMBINGS

LONDON, Sept. 27 (Reuter).—The

Government had every sympathy for

the proposal, but the difficulties in a

commission proceeding to the scene

of the bombings were almost in-

superable.

Mr. Butler was asked about the

bombing of a Polish town on Septem-

ber 12. He replied that the British

witness of the raid was an eye-

witness of the raid and had reported

that only the headquarters of the

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of the bombings were almost in-

superable.

Mr. Butler was asked about the

bombing of a Polish town on Septem-

ber 12. He replied that the British

witness of the raid was an eye-

witness of the raid and had reported

that only the headquarters of the

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TO-MORROW AND SATURDAY

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Indian Faces Grave Charge

Criminal Assault On Chinese Widow Is Alleged

A 55-year-old widow was allegedly dragged up a path in Deep Water Bay and criminally assaulted by an Indian police special guard was told at the Criminal Sessions this morning, when Bahadur Khan was charged with raping Lau Chung.

The case was heard by the Chief Justice, Sir Athol MacGregor, and the following jury: Messrs. V. Liu (Foreman), A. Cheung Yau-kuen, E. Lew, A. Black, Wei Tot, Yeung Shun-hang and Yung Nai-foon.

Prosecuting, Mr. M. J. Abbot, Assistant Crown Solicitor, said Lau was a widow and had a child near the Deep Water Bay Golf Club, where she sold food to coolies.

She was assisted by an old woman named Mok Ying, and on July 12 they left their home in Aberdeen, arriving at the pitch about 11 a.m. Shortly after they had arrived, Lau was taken to a stream nearby to wash her face. She then went up the hillside to collect some tree branches for firewood, and while so doing she met Khan.

Attack Described

There were some bundles of firewood already tied up and Khan asked her to whom they belonged. On Lau replying that she did not know, Khan gave her three blows, one on each shoulder and one on the chest. He then caught hold of her and dragged her further up the path where, it is alleged, he committed the offence. Lau shouted out "save life" but soon gave up as she realised that Khan was much stronger than she was.

Immediately afterwards, Khan walked away, leaving Lau lying on the ground, where she remained for a considerable time. Eventually, she managed to return to her pitch and by an Indian. Mok, however, did not understand the full meaning of her remarks and as a result, though Lau was in considerable pain, a report was not made to the Police until about 6 p.m., when they returned to Aberdeen.

Subsequently, Lau was taken to the Queen Mary Hospital where she was examined by Dr. T. K. Lien who found signs of her having been criminally assaulted.

Meanwhile, Khan was seen at the Wanching Gap Station by Sergeant McVey and on being told what Lau had stated, made a complete denial.

At an identification parade held later, Khan was at once picked out by Lau as the man who had attacked her.

No Struggle Indicated

After Dr. Beagle had given evidence, Dr. Ling told the Court that although there were signs of the act having been forced, there was nothing on Lau to indicate she had struggled.

Lau testified to the attack and said she had never seen Khan before. On her way down the path she met a number of people but she did not tell any of them of the incident as she felt ashamed.

His Lordship: Why didn't you tell your good friend Mok Ying right away?—There were a lot of people around the pitch and I was ashamed. I did, however, mention to her that an Indian had done something to me, but she did not understand what I meant. I was suffering very badly.

Since you were suffering very badly, did it not occur to you to get help at once?—I was not intelligent enough to think of that. I am a simple old woman.

But you were intelligent enough to go straight to the Police Station on returning to Aberdeen. Why

Dissolution Of French Reds

Balkan Countries Prey Of Peril

SPECIAL TO THE "TELEGRAPH"—PARIS, Sept. 27 (Reuter).—The Government's decision to dissolve the Communist Party is believed in both French and Foreign diplomatic circles to have more than an internal significance.

The step was taken when many countries in Europe and America were showing uneasiness at the advance of the Soviet army to the Carpathians, and the rapid Sovietisation of a large part of Poland.

These facts, coupled with pressure exerted by the Soviets on the Baltic States have caused a feeling of anxiety in countries of central and south-eastern Europe.

German propaganda has represented France as a prey of the Red peril. To-day the situation is reversed. The Balkan countries particularly are beginning to exchange views and to find grounds for solidarity in the face of Soviet expansion.

Red H.Q. Raided PARIS, Sept. 27 (UP).—Executing the decree, dissolving the Communist Party, the Surete raided the headquarters of the Communist Party and affiliated organizations in Paris, placed a padlock on headquarters and seized large quantities of documents which they turned over to the authorities.

FLOOD WATERS IN TIENTSIN

SPECIAL TO THE "TELEGRAPH"—TIENTSIN, Sept. 27 (UP).—The Japanese authorities have carried out their promise to rid the Japanese Concession of the flood waters before the end of the month.

Pumping operations were carried out unceasingly, although they were badly handicapped at the beginning owing to a shortage of pumps.

The French Concession and Chinese City are practically without water and are stopping pumping during the week-end.

The British Concession, where the level is falling rapidly, is still badly flooded between Taku Road and Wel-tze Creek.

This Photographer Is In Dutch

SPECIAL TO THE "TELEGRAPH"—BATAVIA, Sept. 27 (UP).—A Dutch press photographer, employed by a local petroleum concern to take aerial photographs in Dutch New Guinea, was not noticed when he photographed the Australian Naval Base at Port Moresby, Papua.

He later tried to sell the photographs to the Japanese Consul General at Batavia.

The photographer has been expelled from the East Indies and is returning to Holland, where the matter will be further investigated.

didn't you do so at once?—I went to the station on the advice of Mok.

"Has Put Me To Death" Mok Ying said that Lau told her, "An Indian has to-day put me to death," and from that she gathered she had been struck by an Indian.

After saying this, Lau went and lay down a little distance away from the pitch. She slept until 5 p.m. when she called out that she was going to die, and that she had been raped by an Indian.

Upon hearing this witness rushed to the Clubhouse where she obtained some mixture and gave it to her. Lau felt better after taking it and continued to sleep until 6 p.m. when they returned to Aberdeen.

Questioned by His Lordship, Mok said it was Lau who suggested making a report to the Police.

The case is proceeding.

LATE NEWS

German Internee Escapes

A German internee, under treatment in the Kowloon Hospital for the past few days, made a sensational escape shortly after 1 a.m. to-day.

His name is given as Karl Jochem. He was placed in the La Sallo Internment Camp when the war broke out.

A few days ago he was admitted to the Kowloon Hospital and was placed in a ward with a police guard.

Early this morning the man was found to be missing and immediately all police stations were informed.

Up to the time of going to press, he had not yet been rearrested.

Unconfirmed reports suggest that the escapee was assisted by his wife who, together with a Chinese servant hired a car and proceeded with her husband to the border.

It is also reported that when driving in the New Territories the car was stopped by a constable. In reply to an inquiry, Jochem stated that they were going to Fanling on urgent business.

On reaching the border, they left the car and crossed into Chinese territory, the report asserts.

Moscow Talks

MOSCOW, Sept. 28 (Reuter).—Herr von Ribbentrop and M. Molotov discussed questions in connection with Poland for over two hours last night.

The discussions took place in the Kremlin in the presence of M. Stalin. The German Ambassador to Russia and the Soviet Ambassador to Berlin were also present.

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EMPIRE MENACED, SAYS AUSTRALIAN PREMIER

CANBERRA, Sept. 27 (Reuter).—Mr. R. G. Menzies, the Australian Prime Minister, said in a radio broadcast to-day that it would be unwise to send a large expeditionary force overseas at present.

The Air Expeditionary Force, which promised Britain would be more useful.

He stated the conditions were different from those in 1914, when belligerents were known and there was no danger of invasion of Aus-

"I believe that there is a serious menace to the British Empire," said. "The war will be won, but it will be won by the use of resources," he stated.

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